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TODAY: STYLE London Fashion, Page 10

Insider Trades In Japan Leave Persistent Stain On the System

By Velisarios Kattoulas
International Herald Tribune

TOKYO — Sitting at the counter of a tiny sushi bar, the Japanese stockbroker swirled his beer nervously and lowered his voice as he explained his knack for insider trading.

"I used to be an analyst visiting companies and writing reports about them, so I know a lot of senior people at top companies," said the middle-aged broker, who asked not to be identified.

To illustrate his point, he recommended shares in a large company with which he had ties. In three days, he said, the company would announce earnings far better than expected.

Three days later, he was right. The company's share price soared.

Tell this tale of insider information to anybody familiar with trading stocks in Japan. Then mention share-price manipulation. Twice they will nod knowingly.

"At one time Japan was what you could call an insider-trading and share-price-manipulation paradise," said Hisashi Watanabe, general manager at Capital Markets Research Institute, which is funded by Japan's biggest brokerage houses.

"While I don't think it's true that Japan is still such a paradise, in some way somebody is still sneaking through dubious or illegal trades," said Mr. Watanabe, a former broker at Japan's biggest brokerage, Nomura Securities Ltd.

Indeed, brokers interviewed in recent weeks said the introduction in 1992 of tighter U.S.-style laws and tougher penalties for illegal trading, after a slew of securities scandals set off public outrage, had made insider trading and share-price manipulation more difficult.

In the United States and much of Europe, such practices are strictly outlawed, sometimes punished with jail terms.

But, they insisted, the two practices continue to characterize Japanese stock markets, despite regular denials by officials of the Finance Ministry and the Tokyo Stock Exchange.

"It goes on all the time," said a Japanese broker at a top foreign brokerage house, one of many who spoke on condition he not be identified.

See TRADES, Page 6

Nairobi University Shut Down After Riots

Alexander Joe/Agence France-Presse

Nairobi University students protesting the apparent killing of a student leader. Students blamed the police. The university's Nairobi campus was closed Monday after rioting. Page 6.

Questions for the Age of Clone

Replicated Creature Opens Ethical Pandora's Box

By Gina Kolata
New York Times Service

NEW YORK — When a scientist whose goal is to turn animals into drug factories announced in Britain that his team had cloned a sheep, the last practical barrier in reproductive technology was breached, experts say, and with a speed that few if any scientists anticipated.

Now these experts say the public must come to grips with issues as grand as the possibility of making carbon copies of humans and as mundane, but important, as what will happen to the genetic diversity of livestock if breeders start to clone animals.

For starters, quipped Dr. Ursula Goodenough, a cell biologist at Washington University in St. Louis, with cloning, "there'd be no need for men."

But on a more serious note, Dr. Stanley Hauerwas, a divinity professor at Duke University, said that those who wanted to clone "are going to sell it with wonderful benefits" for medicine and animal husbandry. But he said he saw "a kind of drive behind this for us to be our own creators."

Dr. Kevin FitzGerald, a Jesuit priest and a geneticist

Medical potential, and the man behind it. Page 5.

See CLONE, Page 5

Albright, in China, Upholds Rights

Mourners Line Route To See Deng

By Steven Mufson
Washington Post Service

BEIJING — Deng Xiaoping, who traveled from rural Sichuan Province to the pinnacle of power over a quarter of the world's humanity, made his final journey Monday as his body was taken from a military hospital to be cremated at Baobashan cemetery in the western part of Beijing.

Chinese state television showed footage Monday night of Mr. Deng's family and top Chinese leaders wearing black armbands and white paper flowers, filing by Mr. Deng's body at the hospital and then as a group bowing before it three times.

Beijing seals off students' means of protest after Deng's death. Page 4.

The body — its puffy face disfigured by age, disease, and death — lay on an open bier surrounded by flowers and covered with a giant Chinese flag with its yellow hammer and sickle against a red background. Members of Mr. Deng's family wept profusely, one daughter crying, "Grandfather hasn't died," and another daughter going up to nuzzle his face.

Afterward, his body was put inside a crystal sarcophagus and carried by high-stepping soldiers to a white van, bedecked with black and yellow ribbons, that took him to the cemetery.

Thousands of spectators, many of them bused in from the nearby state-owned Capitol Iron & Steel Works, lined the two-kilometer route from the military hospital to Baobashan. Policemen lined the road, standing about two

See DENG, Page 6

Differences 'Made Clear' By Each Side

By Michael Dobbs
Washington Post Service

BEIJING — Winding up her first around-the-world tour as Secretary of State, Madeleine Albright on Monday attempted one of the most challenging feats in American diplomacy: reaching out to the post-Deng Xiaoping leadership in China while simultaneously critiquing Beijing for widespread repression of human rights.

"Before I left, I said that I would tell it like it is, and I have told it like it is," Mrs. Albright said after five hours of meetings with Mr. Deng's successors. "I made very clear our position. They made clear their position."

Addressing a news conference, Mrs. Albright said that she had been "surprised" and "gratified" by the willingness of Chinese leaders to receive her in Beijing on the eve of the state funeral for Mr. Deng, whom she described as "a major figure" in Chinese and world history.

American officials hailed the gesture as a sign that China was anxious for improved ties with the United States after years of bitter polemics.

The U.S. official most responsible for Asian affairs looks ahead toward the post-Deng era. Q&A: Page 4.

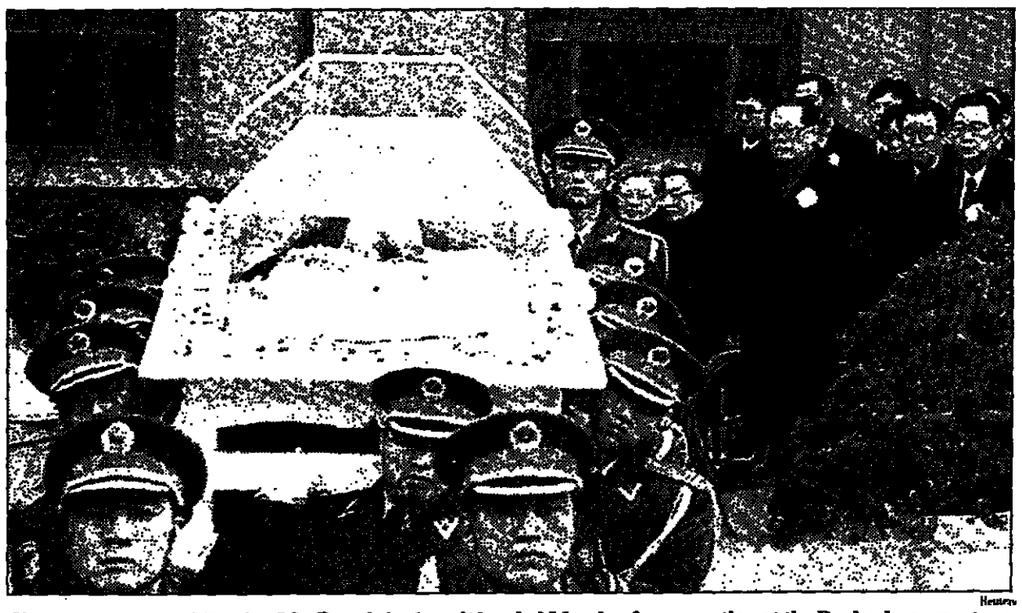
The final stop on an exhausting 11-day trip spanning both Europe and Asia, Beijing presented perhaps the most sensitive political problem for Mrs. Albright. She was faced with the challenge of constructing a stable relationship with an emerging regional superpower that severely represses its own people, while living up to her reputation as a forthright champion of human rights.

It can be a perilous balancing act, as former secretaries of state have discovered. Relations between the United States and China have veered dangerously back and forth since the massacre of hundreds of student activists near Tiananmen square in June 1989 in a crackdown ordered by Mr. Deng himself. Human rights organizations in the West have been quick to react to any suggestion that the Clinton administration is soft-pedaling its criticism of Beijing.

During her public comments Monday, Mrs. Albright seemed anxious to strike a balance between speaking out on human rights and making sure that her words would not be too offensive to her Chinese hosts.

She spoke repeatedly of the need to build a "multifaceted relationship" with China and emphasized the shared political goals of creating a stable security environment in Asia, promoting trade, and combating the proliferation of nuclear weapons.

Mrs. Albright announced an agreement to begin talks at the level of experts on disputed nuclear nonproliferation issues. While conceding some progress in the last few months, the United States remains critical of Beijing for transferring missile technology to Iran and



Reuters

China's top leaders following Mr. Deng's body as it headed Monday for cremation at the Baobashan cemetery.

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Russia Signals Readiness To Move Ahead on NATO

'Progress Emerging,' Primakov Says After Talks

By William Drozdiak
Washington Post Service

BERLIN — NATO and Russia have achieved the first tangible signs of progress toward a blueprint for a new security partnership that could stifle Moscow's objections to alliance plans to embrace new members from Central and Eastern Europe, senior Western diplomats said Monday.

NATO officials said Foreign Minister Yevgeni Primakov signaled at a meeting Sunday evening at the Brussels residence of the NATO secretary-general, Javier Solana, that Russia was prepared to stop posturing and start working toward a substantive deal that would chart a new relationship between Moscow and the Western military alliance into the 21st century.

"I think I can say that progress is emerging regarding discussions on a number of issues pertaining to the relationship between NATO and Russia," Mr. Primakov said at a press conference after arriving Monday in Oslo.

"This progress has not taken any vivid shape, but we could be limited optimists," he said. "And we will continue our negotiations with Mr. Solana, and I expect to see him in Moscow in the first part of March." Mr. Primakov stressed that Russia was pursuing consultations with the North Atlantic Treaty Organization "not for the sake of demanding a price for changing our position" regarding the enlargement because "this change will not take place." He said Russia's aim was "to minimize the depth of those dividing lines which might appear in Europe" and "get guarantees which would alleviate our concerns."

NATO officials said during his meeting with Mr. Solana that Mr. Primakov produced four draft documents that were remarkably close to NATO thinking about creating a permanent consultative council with its own secretariat. Although Russia is still pushing for a legally binding document and insists no sophisticated military equipment should be stationed on the territory of new members, NATO sources said the meeting demonstrated a new seriousness on Moscow's part.

"For the first time, the Russians were engaged, constructive and reasonable in talking about all the issues related to enlargement," a senior NATO official said. "We now know they basically want to cut a deal."

NATO sources said the two sides had essentially agreed on the nature of a permanent consultative council that would govern their relations. A Russian mission headed by an ambassador would work full-time with NATO staff on matters of mutual concern; Russia is laying special emphasis on joint peacekeeping missions and wants to play a

See NATO, Page 5

Desperately Seeking Status in Cairo — With Cell Phone

By Emad Mekay
New York Times Service

CAIRO — Nineteen-year-old Tammer Asaad thought he had all the right qualifications to date an 18-year-old woman who had caught his interest. He attends the American University in Cairo, speaks his native Arabic with a deliberate American accent littered with English slang, dresses in tight black Levi's jeans, and dances the Macarena backward. She still was not impressed.

But when Mr. Asaad's father bought a cellular phone, things changed. A few days later, Mr. Asaad borrowed the telephone, took it to a posh local sports club where the woman spent time, and made sure he got a telephone call while standing near her. The next day, Mr. Asaad said, the woman in question was sitting in his BMW talking to her friends on the mobile phone.

Skeptics who find this tale more like the gossamer fantasies of advertisers hoping to make cigarettes, perfumes or liquor seem a magnet for the opposite sex should not underestimate the impact a new consumer status symbol can have among Cairo's elite. Cellular phones, introduced four months ago, have enhanced the standing of many Egyptians.

Egyptian cinema stars now pose for photos in which they hold the new gadget. Egyptian businessmen speak with cigars in one hand and a phone in the other. Members of the Egyptian national football team carry their phones to matches.

The House of Assembly in Egypt had to ban mobile phones from parliamentary sessions after members kept chatting during debates. Some schools have forbidden their students to take the mobile phones into the classrooms.

The mobile-telephone business in Egypt has benefited enormously from its privileged position in a highly status-conscious society. Now everyone from the French telecommunications giant Alcatel Alsthom, the builder of the system, to the Egyptian

See STATUS, Page 12

Report on Foster Finds No Cover-Up

Starr Inquiry Is Said to Refute Rightist Accusations About Clinton

By Jack Nelson
Los Angeles Times Service

WASHINGTON — The Whitewater independent counsel, Kenneth Starr, has completed a voluminous report on Vincent Foster that sources say refutes contentions by rightist organizations that the White House aide was the victim of a murder and that President Bill Clinton and his wife, Hillary, tried to cover it up.

Running to more than 100 pages, the report rests on an exhaustive inquiry into the events surrounding Mr. Foster's death in July 1993 by handgun, and was completed only recently, sources said.

"It puts the lie to that bunch of nuts out there spinning conspiracy theories and talking about murder and cover-ups," said a source familiar with the report.

Mr. Starr's inquiry marks the third examination of Mr. Foster's death. Earlier findings of suicide were returned by a coroner and by Robert Fiske, Mr. Starr's predecessor as independent counsel, but rightist political groups have continued to allege that the Clintons were implicated in the death.

Mr. Foster, who served as deputy White House counsel, was a close friend of both Clintons and a former law partner of Hillary Rodham Clinton. Among his other duties, he had helped prepare the tax returns of the Whitewater Development Corp., the Arkansas real estate venture involving the Clintons that is the subject of investigation by Mr. Starr.

Mr. Starr has not indicated when he would release his report.

The idea that Mr. Foster's death involved foul play and that the Clintons were implicated has been promoted by rightist groups that receive financial assistance from a foundation headed by Richard Mellon Scaife, a long-time member of the Board of Regents of Pepperdine University in California. Mr. Starr had initially decided to quit the

See FOSTER, Page 6

The Dollar

New York	Monday @ 4 P.M.	previous close
DM	1.6745	1.6891
Pound	1.6358	1.619
Yen	122.23	123.265
FF	5.6475	5.7005

The Dow

	Monday close	previous close
+76.58	7008.20	6931.62

S&P 500

change	Monday @ 4 P.M.	previous close
+8.52	810.29	801.77

Newsstand Prices

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Cyprus	C. £ 1.00	Nigeria	125,00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	EE 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	600 Fils	Zimbabwe	Zim.$30.00

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AGENDA

Attack at Empire State Building

A shooting spree by a Palestinian who carried a semiautomatic handgun onto the observation deck of the Empire State Building in New York was apparently a random attack and not a terrorist act, the authorities said on Monday. The gunman, identified as Ali Abu Kamal, 69, killed a young rock musician from Denmark and wounded six other persons before taking his own life on Sunday. Page 3.

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PAGE TWO
Baking Up Trouble in Moscow

EUROPE Page 5.
Party Aims at French Immigrants

Regrets on Remark

LONDON (Reuters) — The political editor of the Frankfurter Allgemeine Zeitung, Guenther Nonnenmacher, has expressed regret over a reference in an article last week to Britain's foreign secretary as "the Jew Rifkind," a member of Parliament, Greville Janner, said Monday.

Symbol of Health / **Quality of Bread Is Crumbling**

Russians Up in Arms Over Staff of Life

By Michael Specter
New York Times Service

MOSCOW — It takes a true disaster to enrage the people of this city. Their president has hardly appeared among them in months, but nobody cares. NATO is about to sweep across the boundaries of what was once their enduring empire, yet it seems that few ordinary Russians even know that the organization exists.

But there are still standards. There are values and traditions, and when they are violated completely, even the most blasé Muscovite finally loses patience.

"Try to cut this," Masha Balganova said to the trembling salesman at her local bread store. Mrs. Balganova thrust a "fresh" baguette in the poor man's face. "This bread crumbles when you cut it," she said. "What on earth is going on here?"

She is far from the only person asking. Russian bread, a rich black symbol of the health of the motherland and the warmth of its people, has suddenly come under siege.

Not long ago, Moscow's chief food inspector, Vladimir Nikitin, announced after a routine tour of the city's many new small bakeries that a quarter of the 2,500 tons of bread made in Moscow each day was "unsuitable for use as food."

Nothing ever reported about the faltering health of President Boris Yeltsin has caused as much distress. The city's powerful mayor, Yuri Luzhkov, has promised personally to shut any bakery whose products fail to please him.

In its current issue, the country's best-read weekly newspaper, *Argumenty i Fakty*, said the figure for inadequate bread in Moscow was closer to 90 percent. Speaking reluctantly and unwilling to be quoted by name, city inspectors said in interviews that while 90 percent was probably on the high side, the quality of Moscow's bread, which has nourished revolutionaries, peasants and czars alike, has never been lower.

"This is the last line," said Viktor Petrenko, director of Bread Factory No. 9, which occupies the equivalent of five city blocks in the center of Moscow. "We are fighting for quality, but it is a fight we are beginning to lose. And if we lose the battle for bread, we will lose our heritage."

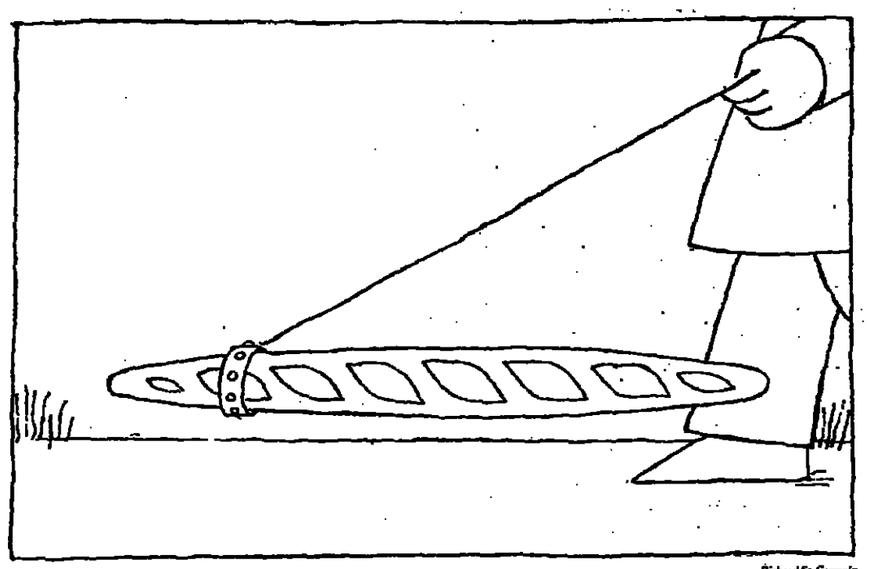
Ridiculous words? Not in a country where bread is given credit for defeating Napoleon and helping millions to withstand the siege of Leningrad. It is not chanted much these days, but the official slogan of the Soviet Union — "Above all things, bread" — was one of the few promises the Communists managed to keep.

In the Russian language, the loss of a person's soul is described as tragic in a phrase that compares it to the loss of a good loaf of bread.

It is simply impossible to exaggerate the role of plain, chewy black bread in the life of Russia or its people. The Bolsheviks rose to power on Lenin's cry of "Peace, Land, Bread." Nikita Khrushchev and Mikhail Gorbachev both fell as bread lines became symbols of the country they governed.

When two years ago the nation suffered its worst grain harvest in a generation, newspapers mostly wondered what would happen to Russian bread. In fact, much of the grain used by bakers is imported.

To foreigners the phrase "white nights" usually brings to mind the endless summer light in St. Petersburg. To Russians it is slang for those periods, usually at the end of the month, when money is too scarce to buy anything but cheap white bread and perhaps some tea.



Richard St. Germain

Under the reforms of Mr. Yeltsin, bread has actually gained in symbolic importance. Once so plentiful and cheap that it was fed to farm animals, bread has now become the main sustenance for tens of thousands of impoverished retired people.

The bread crisis, like so many in Russia today, is really a clash of values and expectations. In Soviet times, bread cost pennies — compared with 50 cents or more for a good loaf now. It was made only by state factories and manufactured to specific lengths and widths, with ingredients all ordained by the Kremlin.

These days, state factories compete with hundreds of independent bakeries. The factories contend that the bakeries have no standards and have ruined the good name of bread from one end of the land to the other.

> *'We are fighting for quality, but we are beginning to lose. And if we lose the battle for bread, we will lose our heritage.'*

The bakeries see things differently.

"The old factories are still run the way they were," said Yuri Katsnelson, director of Bread Filippov, one of the city's best-known bakeries, and president of the Moscow Guild of Bakers. "They are not innovative. They do not want to change. The factory owners want to close our bakeries. Is that because we make bad bread, or because we are selling bread to people who are tired of buying theirs?"

IT WAS the bakery Bread Filippov, legend has it, that was responsible for the invention of raisin bread in 1880. Each day Ivan Filippov sent hot wheat buns to the governor general of Moscow. One day there was a roach in a bun and the governor became irate. He sent for the baker, who grabbed the half-eaten bun and said it was a raisin, not a roach. He then ate the roach and the bun and left. When he got back to his bakery, he immediately emptied bags of raisins into his flour. Within days, he had a long line of customers demanding the new delicacy.

ONLY 300 bakeries in Moscow are registered; as many as 800 others are not. Overworked city inspectors say clever bakers rent space in former defense factories — because there is plenty of space and those plants are usually hard to get into — making random inspections nearly impossible.

While the state factories still operate under old standards, they at least have standards. Production dates, including the hour of completion, are often stamped on factory wrappers. Small independent bakeries in Moscow do what they want, with equipment and ingredients that they choose. Some are excellent; others produce bread that would make even farm animals howl.

"It is the marketplace," said Yelena Tchaikova, a woman who runs a bakery called Every Day in the city with her son and daughter. "If you want to pay for good ingredients and good equipment, you can make good bread. If you want to cheat, you can do that too. There is a lot of bad bread out there now."

Like most bakers here, Mrs. Tchaikova will eagerly steer a customer away from bread she thinks is unsuitable.

"You don't want that," she said to a customer eyeing a standard oval loaf of wheat bread. "There is no fat in it. It's dry. You want some fat."

On that, if on nothing else, the new independent bakers are seconded by their giant competitors.

"I have been to the West many times, and I see what you people call bread," said Mr. Petrenko, the director of Bread Factory No. 9. "There is no sugar, no fat. How can it satisfy you? If you eat a piece of Russian bread you are well fed. Take a slice of our bread, a little vodka and some butter, and your problems are behind you."

For Hutu in Burundi, Haven Turning to Hell

By Stephen Buckley
Washington Post Service

RUHINGA, Burundi — The Hutu staggering toward the hill say they followed soldiers here because they were weary of being hounded by rebels — fellow Hutu engaged in a brutal conflict with Burundi's Tutsi army. But the place the army has brought them to has no water, no sanitation, no shelter. And it is hours from their fields.

Now the Hutu worry that they have traded quick death at the hands of rebels for slow death on a hillside.

"We are afraid of the rebels," said Jeremy Nduwabandi, 36, "but here we have no food or shelter."

Mr. Nduwabandi and the hundreds of people surrounding him make up one of more than a dozen camps that the army has created for Hutu in recent months. The so-called protection zones came into being soon after the army deposed Burundi's elected president, a Hutu, in a bloodless coup six months ago.

Like neighboring Rwanda, Burundi has a volatile population mix that is roughly 85 percent Hutu and 14 percent Tutsi.

But unlike Rwanda, the country has been controlled by the Tutsi, who since independence in 1962 have dominated the powerful military. The Tutsi have been politically dominant as well, except during a turbulent three-year period between the country's first free elections and the coup last year.

The new Tutsi-led government says it created the camps to protect civilians trapped in a three-year conflict that pits Hutu rebels against the army. The fighting has killed more than 150,000 people in this small central African nation since late 1993.

But aid groups and human rights organizations say the camps are a humanitarian disaster in the making, because at least 200,000 people are sardined into school rooms and onto hillsides without facilities.

Many observers view the policy as a signal that, at least for now, the Burundian government has abandoned the possibility of negotiating with the rebels and has decided to try to obliterate them instead.

"But there is no way to find a military solution to the Burundian problem," said Christophe Sebudandi, president of Iteka, a leading human rights group in Burundi. "We must work out a permanent solution for our problems. We have to go through a peace process."

Mr. Sebudandi and others say the policy shift resulted from the Hutu rebels' being forced from their bases in neighboring Zaire when fighting erupted there in late October. Now the rebels are believed to have their primary base in western Tanzania. Reports of the kind of large-scale massacres that have marked their insurgency have diminished since the move, but the rebels continue to menace Burundi's countryside, laying mines, burning houses and attacking civilians of both ethnic groups.

Although officials say the settlements are designed to put Hutu noncombatants out of harm's way, the government has placed camps in the most tense areas. And in addition to the external threat, conditions in the camps pose a threat to their occupants, relief workers say. In some places where abandoned schools have been turned into shelters for the Hutu, as many as 50 people are squashed into classrooms. In others, campsites are hillsides thick with shaky shelters fashioned from limbs and leaves.

"From a medical standpoint, the situation is not good," said Francoise Saive, medical coordinator for the Belgian branch of Doctors Without Borders, which works in several of these camps in central Burundi. "There's a big problem with disease." She added, "There is not enough food or water, not enough access to fields."

Some aid officials are angry that the government appears to have set up the camps without proper facilities because it expects relief groups to provide assistance, despite their general opposition. "We've told the government that we can't make these camps a priority because they are so controversial," an aid official in Burundi said. "One minister told me, 'Once all these people start starving to death, it will become a priority.'"

The government acknowledges the odious conditions in the camps but says it does not force Hutu into the sites and does not hunt those civilians who resist the camps.

And the army insists that it will send the Hutu home when fighting in their communities eases.

"We think they will not stay in these camps much longer," Lieutenant Colonel Isaie Nibizi said. "It is better for them to be at home. But we had to put them in a safe place so that we can better fight the terrorists."

The camps, built in the past three months, are in four areas around the country, but they are likely to spread. The biggest cluster of camps is in central Burundi, where an estimated 90,000 people are settled in sites around the town of Karuzi, 112 kilometers northeast of Bujumbura.

The camp here at Ruhinga, just east of the capital, opened last month. As hundreds of Hutu stumbled into the camp site, Lieutenant Gaspar Bambarire relaxed in the shade at an army post, sipping beer and speaking in level tones about why the camps are a service to the people.

"The rebels take them as hostages," Lieutenant Bambarire said. "They want people to prepare food for them and help them. The rebels steal from them. The rebels violate their women."

He said most of the camp's residents were still close enough to their farms. "We want them to be able to eat," he said.

Fire on Mir Space Station Put Out 'Quickly' by Crew

Compiled by Our Staff From Dispatches

MOSCOW — A fire broke out on board the Russian orbiting space station Mir but was brought under control, a Russian space official told Moscow Echo radio on Monday.

Vsevolod Latyshev confirmed an earlier report by the German space agency that the fire Sunday was due to malfunctioning oxygen-generating equipment and said the incident occurred when the crew was trying to replace a cartridge.

"An unexpected burst of flame" occurred but it was "quickly extinguished," Mr. Latyshev said.

The crew had returned to its normal routine Monday and the incident was "being analyzed," he added.

The head of the Russian space agency, Yuri Koptiyev, said the crew had "not panicked" over the incident.

The German space agency said smoke from the fire forced astronauts to don breathing masks, but that none of the six-member crew — which includes four Russians, a German and an American — was hurt.

Three of the crew — Valeri Korzun and Alexander Kalery, both Russians, and Reinhold Ewald, a German — are to return to Earth on Sunday.

Mir, which has been orbiting the Earth for 11 years, has been beset by incidents in recent months. In November the station's pump for removing waste water broke down, interrupting the crew's work temporarily.

Meanwhile, Russia's space chief acknowledged Monday that the country could not keep up with the schedule for the international space station.

Construction of the space station — an elaborate and expensive project designed to epitomize post-Cold War cooperation between Russia and the West — was to have begun this November with the launching by the Russians of a cargo module.

But Mr. Koptiyev said the government was more than a year behind in budget payments, forcing his agency to delay the launching until June 1998.

"The change in the timetable is entirely Russia's fault," he said at a press conference, according to the Itar-Tass press agency.

He said the other 12 countries involved — the United States, Japan, and the 10-member European Space Agency — are "inclined" to accept the new schedule. He did not elaborate.

Officials at the National Aeronautics and Space Administration were not immediately available to comment Monday. *(AFP, Reuters)*

Jewish Leader Sees Swiss Shift

Agence France-Presse

BERN — The secretary-general of the World Jewish Congress, Israel Singer, said Monday that the creation of a government-managed special fund to aid Holocaust victims marked a shift in attitude among the Swiss.

"The most important thing for us is to witness a change in the attitude of the government and Swiss banks," he said.

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TRAVEL UPDATE

Air Algerie to Resume Its Service to Paris

PARIS (AP) — France and Algeria have reached an agreement for Air Algerie to resume flights from Paris after a two-year hiatus caused by a dispute over anti-terrorism measures, a French official said Monday.

The accord was a compromise in which Air Algerie agreed to move to Charles de Gaulle airport from Orly on the condition it be allowed to operate from Terminal 1. France wanted the airline to operate out of the more remote Terminal 9.

The agreement, initially denied by France last week, was reached "on the basis of discussions between Algerian and French experts," the Foreign Ministry said.

Swiss Hotel Bookings At Lowest Since 1965

BERN (AFP) — Reservations at Swiss hotels fell to their lowest level last year since 1965, the federal statistics bureau announced.

Fewer local people and foreign tourists stayed at Swiss hotels, against a backdrop of poor domestic economic growth, strength of the Swiss currency, more attractive vacation offers elsewhere and growing demand for long-distance destinations. Some 29.7 million nights were paid for in 1996, 4.8 percent fewer than in 1995.

Estonians and Finns will be able to travel between their two countries without a visa starting May 1. Half of the 200,000 visas issued last year by Estonia's consular representatives abroad were issued by the Estonian Embassy in Helsinki, the Baltic News Service said. *(AP)*

Alitalia has decided to cancel its Toulouse-Lyon-Milan service beginning April 1, the Toulouse Chamber of Commerce and Industry said. The decision was made after Air France and Alitalia agreed on an exchange of block seating between the two companies. *(AFX)*

An 11-day strike by Culture Ministry employees at the Acropolis is illegal, a court in Athens ruled Monday, but union officials said the work stoppage would continue anyway. *(AFP)*

Air New Zealand said Monday it would end its Tasman Air Share agreement with Qantas Airlines beginning May 1. The code-sharing agreement was introduced in 1991. *(AFP)*

9 Senior Zairian Army Officers Defect

Group That Fled to Congo Says It Aims to Join Anti-Mobutu Rebels

The Associated Press

KINSHASHA, Zaire — Nine senior officers of the Zairian armed forces have defected and intend to join the rebels in eastern Zaire, they said Monday.

The officers were among those who were leading the army when Goma and Bukavu, key cities on the eastern border with Rwanda, fell to Laurent Kabila's Alliance of Democratic Forces for the Liberation of Congo-Zaire last fall.

The officers said they had been called back to the capital, Kinshasa, and had been suspected of supporting the rebels. They recently fled across the Zaire River to Brazzaville, the capital of neighboring Congo.

"We're here in transit," said a former colonel who would only give his surname, Anti. "Our goal is to rejoin the front in the east and come to the aid of the commander of the liberation army, Mr. Kabila."

The Defense Ministry said that Kalima, a mining town about 290 kilometers (180 miles) south of Kisangani, came under rebel control Saturday. The rebel advance prompted more than 25,000 refugees who had taken refuge in Kalima to flee into the forest.

Most of the refugees are Rwandan Hutu who have been on the road since the 1994 Hutu-orchestrated slaughter of a half-million Rwandan Tutsi.

The UN High Commissioner for Refugees said Monday it was attempting to secure permission from the Zairian Army to fly over the region in an attempt to find the refugees.

Refugee workers fear the rebels will next attack the 160,000 people in the Tingi-Tingi refugee camp, 240 kilometers southeast of Kisangani. Mr. Kabila has asserted that the Zairian government has armed former Rwandan Hutu soldiers and militiamen among the refugees at the camp.

Colonel Anti said that among his eight colleagues, there were three colonels, two majors and two captains. He said hundreds of other superior officers and rank-and-file soldiers had defected and were in the Lower Zaire region to aid the rebels.

He said there were numerous reasons why they had defected, including low morale, years of low wages and dismal living conditions. But what demoralized the senior officers most, he said, was the two-tiered army command, one from the armed forces, another from a group of "underground" commanders who were from President Mobutu Sese Seko's own ethnic group, causing dissension and chaos in the leadership of the army.

Diplomatic efforts to bring the two sides together in South Africa stalled over the weekend. President Nelson Mandela said Monday, however, that African leaders could meet with Marshal Mobutu in a regional summit meeting scheduled for March 19.

A "great deal of progress" was being made, Mr. Mandela said. He would not comment when asked if envoys of the Zairian government and Mr. Kabila had met face-to-face in Cape Town over the weekend, as reported.

WEATHER

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
Algarve	20/68	11/52 pc	19/66	13/55 pc
Amsterdam	10/50	5/41 sh	8/46	1/34 c
Ankara	4/39	-5/23 pc	8/46	0/32 s
Athens	13/55	8/46 pc	17/62	11/52 pc
Barcelona	16/61	12/53 c	13/55	7/44 pc
Belgrade	15/59	7/44 pc	17/62	7/44 sh
Berlin	13/55	5/41 c	9/48	1/34 pc
Brussels	12/53	6/43 sh	9/48	2/35 r
Budapest	11/52	10/50 sh	14/57	3/37 r
Copenhagen	7/44	3/37 pc	5/41	-3/27 sh
Costa Del Sol	21/70	11/52 pc	20/71	12/53 s
Dublin	8/46	6/43 r	8/46	2/35 c
Edinburgh	6/46	4/39 sh	8/46	1/34 c
Florence	16/61	11/52 c	18/64	7/44 c
Frankfurt	12/53	4/39 sh	7/44	-1/31 sh
Geneva	10/53	6/46 r	12/53	-1/31 r
Helsinki	5/41	1/34 r	2/36	-4/25 sn
Istanbul	12/53	6/43 s	14/57	8/46 pc
Las Palmas	23/73	18/64 s	25/77	18/64 s
Lisbon	17/62	10/50 pc	18/61	12/53 pc
London	12/53	8/46 sh	9/48	1/34 pc
Madrid	18/64	7/44 pc	19/66	8/46 s
Mallorca	18/64	13/55 c	19/66	8/46 pc
Milan	14/57	10/50 r	18/64	1/34 c
Moscow	7/44	1/34 pc	3/41	4/39 r
Munich	10/61	8/46 sh	11/52	-1/31 r
Nice	18/64	14/57 c	20/68	6/43 pc
Oslo	4/39	1/34 sh	3/37	-7/20 s
Paris	14/57	6/43 sh	9/48	0/32 pc
Prague	13/55	8/46 r	9/48	-1/31 sh
Reykjavik	-2/29	-5/24 c	0/32	-4/25 sn
Rome	18/61	4/39 pc	21/70	10/50 s
St. Petersburg	7/44	4/39 r	5/41	-1/31 sh
Stockholm	6/43	0/32 sh	6/43	-0/32 c
Strasbourg	14/57	11/52 r	11/52	-1/31 r
Tallinn	6/43	2/35 r	2/36	-4/25 sn
Venice	14/57	11/52 sh	17/62	4/39 sh
Vienna	18/59	4/39 c	13/55	9/37 pc
Warsaw	11/52	3/37 sh	7/44	-0/29 pc
Zurich	13/55	8/46 r	11/52	-1/31 r

Middle East

Abu Dhabi	29/84	18/61 s	30/86	17/62 s
Beirut	12/53	6/43 pc	14/57	6/43 pc
Cairo	18/61	4/39 s	19/66	7/44 s
Damascus	7/44	-2/29 pc	9/48	1/34 pc
Jerusalem	7/44	-1/31 pc	9/48	-1/34 pc
Luxor	21/70	3/37 s	21/70	3/37 s
Riyadh	24/75	12/53 s	28/79	10/50 s

North America

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
Anchorage	2/35	-4/25 pc	3/37	-7/20 pc
Atlanta	14/57	4/39 pc	16/61	9/48 c
Boston	-2/29	-9/16 s	4/39	-1/31 pc
Chicago	0/32	-4/25 pc	-4/39	-3/27 sn
Dallas	10/50	7/44 r	10/50	1/34 r
Denver	2/35	-5/22 pc	1/34	-4/25 pc
Detroit	0/32	-7/20 s	6/43	0/32 sh
Honolulu	25/77	17/62 pc	25/77	16/61 sh
Houston	14/57	10/50 sh	19/61	6/43 r
Las Angeles	19/66	10/53 s	20/68	9/43 s
Miami	27/80	20/68 pc	27/80	21/70 pc
Minneapolis	1/34	-7/20 pc	0/32	-6/19 pc
Montreal	-1/31	-1/31 pc	-1/31	-5/22 pc
Nassau	28/79	19/66 pc	27/80	22/66 pc
New York	1/34	-2/29 s	9/48	2/35 pc
Orlando	23/73	14/57 c	24/75	16/61 pc
Phoenix	17/62	6/43 c	18/64	5/41 s
San Fran.	13/55	8/46 s	15/59	8/46 s
Seattle	12/53	3/37 pc	12/53	4/39 sh
Toronto	-5/18	-9/18 s	3/37	-1/31 pc
Vancouver	11/52	5/41 pc	12/53	3/37 sh
Washington	7/44	-2/29 s	13/53	4/39 pc

Forecast for Wednesday through Friday, as provided by AccuWeather.

North America
Mild in the mid-Atlantic and Southeast through Thursday; unsettled weather will affect the Great Lakes and much of the East Thursday into Friday. Stormy weather will move into the Rockies Wednesday, then head into the Plains Friday. Episodes of rain will dampen the Northwest.

Europe
Windy with showers in London, Paris and Amsterdam Wednesday and Friday with a small break expected Thursday. Spain and Portugal will be dry with springlike warmth, while cooler, damp weather affects Rome late in the week. Mild in Southeast Europe before cooling arrives Friday.

Asia
Quite mild in Beijing through Thursday, then turning colder Friday; it may shower Thursday. Tokyo and Seoul will be mild with a small storm possibly bringing showers to these areas Friday. Warm and dry in Hong Kong, while a thunderstorm can affect Singapore each day.

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
Bali	31/88	23/73 t	32/89	23/73 t
Bangkok	29/84	24/75 c	31/88	23/73 pc
Beijing	9/48	-1/34 pc	10/50	3/37 sh
Bombay	33/91	19/66 s	33/91	19/66 s
Calcutta	27/80	16/61 s	29/84	17/62 s
Chiang Mai	31/88	22/71 c	30/86	21/70 pc
Colombo	29/84	19/66 s	29/82	20/68 s
Hanoi	25/77	15/59 pc	25/77	15/59 pc
Ho Chi Minh	33/91	23/73 c	33/91	23/73 pc
Hong Kong	23/73	16/61 pc	23/73	19/61 pc
Islamabad	24/75	4/39 s	21/70	6/43 s
Jakarta	33/84	23/73 t	29/82	23/73 r
Karachi	31/88	15/61 s	30/86	13/55 s
K. Lumpur	32/89	23/71 t	30/86	23/71 pc
K. Kinabalu	30/86	23/73 c	29/84	23/71 pc
Manila	29/84	20/68 pc	29/84	20/68 pc
New Delhi	28/82	11/52 pc	29/84	8/46 s
Phnom Penh	32/89	23/73 c	31/88	22/71 c
Phuket	29/84	24/75 c	31/88	23/73 pc
Rangoon	29/84	23/73 c	32/89	23/73 pc
Seoul	9/48	1/34 r	8/46	-1/31 s
Shanghai	22/71	14/57 t	16/61	8/46 sh
Singapore	30/86	23/73 c	31/88	23/73 pc
Taipei	23/73	17/62 pc	23/73	17/62 pc
Tokyo	13/61	7/44 s	13/55	2/35 pc
Vientiane	24/75	17/62 pc	25/77	17/62 pc

Africa

Algiers	22/71	10/50 s	23/73	11/52 s
Cape Town	23/73	11/52 pc	23/73	12/53 s
Casablanca	21/70	11/52 s	22/71	13/55 s
Harare	25/82	9/48 s	29/84	8/46 s
Lagos	32/89	24/75 pc	31/88	24/75 pc
Nairobi	30/86	10/50 s	32/89	11/52 s
Tunis	20/68	10/50 s	22/71	13/55 s

Latin America

Buenos Aires	32/89	22/71 pc	27/80	16/61 c
Caracas	28/82	21/70 pc	29/84	22/71 pc
Lima	29/84	22/71 pc	28/82	22/71 c
Mexico City	23/73	8/46 s	24/75	8/46 pc
Rio de Janeiro	29/84	21/70 sh	27/80	23/71 t
Santiago	31/88	7/44 s	29/84	12/53 s

Oceania

Auckland	23/77	18/64 c	23/73	14/57 c
Sydney	24/75	21/70 pc	24/75	21/70 r

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

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THE AMERICAS

Andy Uzzle/The Associated Press

Paramedics wheeling one of the victims to an ambulance after the shooting spree at the Empire State Building.

Terrorism Unlikely in N.Y. Shootings

After Killing 1 and Wounding 6, Distraught Gunman Took Own Life

Compiled by Our Staff From Dispatches

NEW YORK — A shooting spree by a Palestinian who carried a semiautomatic handgun onto the observation deck of the Empire State Building was apparently a random attack and not a terrorist act, the authorities said on Monday.

The gunman, identified as Ali Abu Kamal, 69, killed a young rock musician from Denmark and wounded six other persons before taking his own life on Sunday.

"So far, there is no connection to a terrorist group, no other incident after that, no threat before," Mayor Rudolph Giuliani of New York City said. "It will have to be investigated but as it's being investigated, people shouldn't jump to that conclusion."

Law enforcement sources said the police investigation had tentatively concluded the shooting was a random act of violence, but they cautioned that the inquiry had yet to be completed.

Relatives in the Gaza Strip said Mr. Abu Kamal was distraught over losing more than $300,000 in savings and had no ties to Palestinian radical groups.

The Empire State Building, which opened in 1931, is one of New York City's top tourist attractions. The observation deck was closed Monday as the authorities moved immediately to install metal detectors. Detectors have long been put in many buildings in New York City, from its most famous landmarks to high schools.

A building security camera tape was turned over to police, said an Empire State Building spokesman, Howard Rubenstein. The tape shows the gunman on the way up to the observation deck.

"He was wearing a long coat," Mr. Rubenstein said. "The gun was not visible, and presumably it was hidden under his coat."

The gunman fatally shot a Danish musician in his 20s. The wounded were a Connecticut man who played in the same rock group, a 52-year-old Argentine man, a 30-year-old Swiss man, a 35-year old New York man and a married couple from Verdun, France.

The police said the gunman died without regaining consciousness in a New York hospital about six hours later. Three of the wounded were in critical condition Monday, and three others serious but stable, hospital officials said.

Several others were injured in the pandemonium that broke out after the shooting on the 86th floor observation deck, which was crowded with tourists on a sunny Sunday afternoon.

The attack was the worst bloodshed at the 102-story building since July 1945, when a B-25 bomber lost in fog crashed into the 79th floor, killing 14 people and injuring 26 others.

Officials said the gunman was carrying documents from the Palestinian Authority that showed he lived in Ramallah on the West Bank and was born in Jaffa. He came to New York in December and bought a .380-caliber Beretta in Florida at the end of January. Police said a receipt for the gun was found on his body.

Relatives of Mr. Abu Kamal erected a white mourning tent outside his one-story home in the seaside Rimal district of Gaza City. His daughter, Linda Abu Samra, 35, said she could not believe that her father, an English teacher for nearly 50 years, would resort to violence.

"I'm in shock. I can't believe my father carried out this act," she said, crying.

The man's son-in-law, Marwan Abu Samra, said Mr. Abu Kamal was a quiet man and had no ties to militant groups.

In fact, he had been a victim of Islamic vigilantes. In 1992, he was kidnapped by Islamic Jihad members and beaten. Graffiti signed by the group at the time accused him of smoking hashish, drinking alcohol and violating the laws of Islam.

Mr. Abu Samra said his father-in-law left for the United States on Sept. 1, and spent time in Miami and New York. He said Mr. Abu Kamal planned to invest his savings in the United States and eventually bring over his entire family.

But he called home Sunday and said he had financial problems and could not send tuition money to one son who is studying civil engineering in Russia, the son-in-law said. He said he believed his father-in-law was distraught over losing his life's savings.

"He was going to the States to invest some money," his son-in-law said. "I think a man that age cannot accept that he lost more than $300,000 after 50 years of work." Relatives said Mr. Abu Kamal worked as a teacher and had had a lucrative side business as a private tutor. They would not say how he lost the money. *(Reuters, AP)*

High Court Blocks Term-Limit Bid

Justices Let Stand Ruling Against State Voter Initiative

The Associated Press

WASHINGTON — The Supreme Court handed a setback Monday to supporters of mandatory term limits for members of Congress by turning away a case involving a voter initiative in Arkansas.

The justices, without comment, let stand a ruling that invalidated the ballot initiative, one that is similar to those approved by voters in eight other states in November.

The Arkansas measure called on the state's legislators and members of Congress to do all within their power to win ratification of a proposed amendment limiting service to 12 years in the U.S. Senate and 6 in the House.

The House rejected such a proposed amendment Feb. 13, and the Senate is unlikely to resurrect it.

Similar propositions won approval in Alaska, Colorado, Idaho, Maine, Missouri, Nebraska, Nevada and South Dakota. Each measure required those states' congressional members to push for a vote that would send the proposed amendment to state legislatures for ratification. Court challenges are being waged in Idaho, Maine, Missouri and Nebraska.

Backers of the Arkansas measure had hoped that the Supreme Court would use that case to remove any doubts about the validity of such steps.

The court dealt a devastating blow to term-limits backers in 1995, when it ruled that states could not limit service in Congress without amending the Constitution. Twenty-three states had taken such steps.

The 1995 decision also said Congress could not impose term limits for its own members by merely enacting a law.

The Arkansas Supreme Court ruled that the proposal, called Amendment 9, violated the federal Constitution's requirement that all amendment-making efforts originate in Congress or in the state legislatures.

That ruling subsequently was challenged in appeals by a group called Arkansas Term Limits and the state, represented by Attorney General Winston Bryant. The state's appeal, acted on Monday, said the Arkansas court's ruling "wrongly limits the role of the people in our federal scheme."

Arkansas Term Limits' appeal said the lower-court ruling would deprive Arkansans "of their right to instruct their elected (and would-be) representatives on their views concerning U.S. congressional term limits."

Opponents of Amendment 9 urged the justices to reject the appeals.

In other action, the court made these decisions:

- It agreed to decide in a case from Washington whether prosecutors can be sued for allegedly making false statements when seeking arrest warrants.
- It rejected an appeal by a Texas policeman who said he was unfairly denied a promotion because he had had an affair with a fellow officer's wife — herself a police employee.
- It agreed to hear a government appeal aimed at warding off new restrictions on who may join federally chartered credit unions. The Clinton administration argues that a lower-court ruling misinterpreted federal law.
- It agreed to use an Illinois case to decide whether citizen lawsuits could seek penalties against companies that miss the deadline to report their use of hazardous chemicals.

Thousands Lose Food Stamps as Law Kicks In

By Barbara Vobejda and Judith Havemann
Washington Post Service

WASHINGTON — Tens of thousands of unemployed Americans have started losing food stamps, a result of one the most controversial provisions of the new welfare law. By year's end, an estimated one million people will have been affected by the measure, marking the largest cut in the 35-year history of the food stamp program.

Under the new policy, able-bodied adults without children or jobs can receive food stamps for just three months in any three-year period.

The first wave of those recipients hit the three-month deadline Saturday, meaning they have received their last allotment of food stamps, a benefit worth $120 a month for a single adult.

Of those affected by the provision, 40 percent are women and one-third are aged 40 or older, according to the government. People above 50 are not affected.

The food stamp program, which provides assistance to 25 million Americans, has long been viewed as the nation's most basic safety net. Now, food pantries across the country are bracing for a spike in demand as those losing benefits go through their remaining food supplies.

"We are encouraging people not to panic, but this is extremely serious, and they need to take advantage of every opportunity to work that is available," said Yvette Jackson, a deputy administrator at the Department of Agriculture.

She said that President Bill Clinton had proposed softening the impact and that states were "working in earnest" to find jobs or workfare slots for food stamp recipients.

Nevertheless, the news has hit hard in communities in every state, particularly since this is the first group of recipients to have benefits cut off because of the new federal welfare law.

"I think mine's going to be cut off this coming month," said DuWayne Jones, an unemployed factory worker in Duluth, Minnesota, who walked into an emergency food pantry to ask for help.

Mr. Jones has been out of work since the summer, when he broke a finger working in a recycling plant. "It's hard to find a job here. There's no good work that I'm qualified for."

The food stamp provisions prompted a bitter debate when they were proposed as one of several new measures requiring work from those receiving government assistance.

The provisions and other changes in the program are critical as a cost-saving measure, supplying half the projected $54 billion in savings from the welfare bill over the next five years.

In his budget, Mr. Clinton proposed that those who can demonstrate that they are looking for work should continue to receive benefits.

Republicans in Congress, however, do not appear ready to modify the law.

"It's not unreasonable to ask able-bodied adults to either participate in a workfare program, job training or part-time employment," said a spokesman for Representative Robert Ney, who proposed the food stamp provision with Representative John Kasich, both Ohio Republicans.

POLITICAL NOTES

Suspect Logic Hurts Budget Amendment

WASHINGTON — In his battle against a constitutional amendment to balance the budget, President Bill Clinton has discovered the political equivalent of a magic bullet: an argument that links the proposal to voter anxieties about Social Security.

Mr. Clinton and his aides have undercut congressional support for the amendment this year with repeated warnings that it would pose "grave risks" to the popular benefit program by allowing — and perhaps forcing — the courts or future presidents to make sudden, huge cuts in Social Security payments to maintain budget balance.

But many constitutional scholars and budget experts — including a substantial number who oppose the balanced budget amendment for other reasons — say the administration's Social Security warnings are overblown.

Mr. Clinton is relying on "bogeyman arguments devised to scare people and prevent them from focusing on the merits of the issue," said Thomas Baker, a constitutional law specialist at Texas Tech University.

Recipients "should worry more about the danger of an asteroid falling on the Social Security Administration building than about the danger of the courts' ordering a reduction in their benefits," said Mark Tushnett, a constitutional law specialist at Georgetown University.

Administration officials have played the Social Security card in conjunction with other objections to the amendment. But as the prospect of congressional action on the measure draws closer, the Social Security argument has assumed new prominence in the White House attack.

Treasury Secretary Robert Rubin, who almost never mentioned the amendment's threat to Social Security during previous congressional debates, now cites such dangers regularly.

The proposed amendment "could force the Treasury secretary to cut Social Security, or drive the budget into the courts of law when a deficit occurred," Mr. Clinton warned in his weekly radio address over the weekend. *(WP)*

Democrat Supports Probe of Own Party

WASHINGTON — Senator Russell Feingold of Wisconsin, a leading Democratic proponent of campaign finance reform, has called for appointment of an independent counsel to investigate recent political fund-raising practices.

"Regrettably, I think we've come to the point where, under the discretionary powers of the attorney general, we probably do have to go to a special counsel," he told a television interviewer.

Mr. Feingold is co-sponsor with Senator John McCain, Republican of Arizona, of a bill to overhaul campaign finance.

The Justice Department so far has rejected Republican calls for an independent counsel to look into questionable campaign contributions to the Democratic National Committee, particularly those from foreign sources.

The former Reform Party presidential candidate, Ross Perot, and former Senator Bill Bradley, Democrat of New Jersey, joined Mr. Feingold in saying on the program that an independent counsel was warranted. Senator Daniel Patrick Moynihan, Democrat of New York, said last week that he would support such a move.

The White House declined to comment. *(WP)*

Quote/Unquote

Senator John Glenn, 75, on his impending retirement from the Senate: "One immutable fact remains: There is still no cure for the common birthday." *(AP)*

Milwaukee Forces Up School Standards

City Breaks Ground With Test Aimed at Ending 'Culture of Mediocrity'

By Rene Sanchez
Washington Post Service

MILWAUKEE — Two years ago, this city's struggling public schools scrapped a multiple-choice test they had used since the late 1970s to assess students in math and decided the time had come to do something bold.

They created a radically new test with a rule still rare in U.S. schools: Students who failed it would not graduate. The test stressed word problems describing real-life situations. It forced students to apply math concepts, think analytically and show their work. Officials worried the passing rate might be low.

It was much worse. Of the first Milwaukee high school students who took the test — black and white, rich and poor — 79 percent failed. Many of them apparently were so stumped by the problems they turned in exams that were virtually blank.

"We were really thrown by the results," said Cynthia Ellwood, director of educational services for Milwaukee's public schools. "We knew having higher standards was going to take hard work, but we never realized just how much until then."

There are few ideas in American education as momentous now as forcing schools to require more of students, then judging what they know with tests that have serious consequences for those who fail. Those two tasks stand as the most fundamental and often the most difficult of any facing school districts striving to escape the culture of mediocrity many educators say still pervades U.S. classrooms.

President Bill Clinton is vowing to make higher academic standards a cornerstone of his second term. He is calling for national tests in reading and math. Many states also are revamping their curricula and exams to bring more rigor to classes. But much of that work is new or still taking shape, and whether it makes a difference is an open question.

There are few ideas as momentous as pushing schools to require more of students, then judging what they know with tests that have serious consequences for those who fail.

In Milwaukee, schools already are wrestling with the hard truths of having higher standards. The city's tumultuous battle over the past few years to demand much more of students in math offers a revealing illustration of the perils and rewards that soon may confront many other school districts nationwide.

"Everyone wants high standards, but when schools get serious about it, they tend to get a cold splash in the face," said Diane Ravitch, a research scholar at New York University who was assistant secretary of education in the Bush administration. "What they risk finding is that an extraordinary number of kids do not measure up."

To many students here, that discovery has been quite painful. Jimise Foreman, a senior at Pulaski High School in Milwaukee, has one last chance to pass the math test, and time is short. Her graduation is looming this spring, and she has big plans. Maybe a career as a nurse, she says, or a good job on the local police force.

But until she and hundreds of other students pass, they are not going anywhere. "We never had to do anything like this before," she said. "I don't think we were prepared. But I'm trying to work harder."

Milwaukee's first test results provoked a huge uproar. The school system had revised math lessons and retrained teachers to lay groundwork for the test, and had warned the community that standards were being raised.

But many parents and students were shocked and furious. The school board nearly retreated. Faced with the humiliating prospect of flunking so many students, there was even talk of creating two kinds of diplomas — one for those who passed the math test and one for those who did not.

But after a few months of reflection, something unusual happened: Instead of just blaming the test, some school leaders started blaming themselves. Teachers seemed more willing to change their classroom habits. High schools started after-school and Saturday tutoring sessions in math. The city shifted funds to help. Churches and businesses donated school supplies and volunteered tutors.

Six months later, when the city gave the same test to the same students again, 55 percent of them passed. The tally keeps improving.

"The failure was so massive, it actually helped," said Derek Brewer, who helps coordinate tutoring programs for the school system. "Maybe for the first time, adults had to ask themselves, 'Do we really think these kids can do it?'"

Pressure to improve school standards has been growing across the nation during this decade — from parents who want diplomas to have more value and from business leaders desperate to hire more skilled workers. Shifts in the job market are making prowess in reading and math ever more important.

Some states are at work on the issue. Leaders in subjects such as math and science also have recently created national guidelines for what students should know. The Clinton administration has joined the effort with its Goals 2000 program, which gives states money to strengthen curricula and train teachers.

But there is widespread concern that schools still are not making many strides. U.S. students still tend to post mediocre scores in math and science when matched against their peers in many other nations. In reading, the record is even more dismal.

Away From Politics

- **Vandals have desecrated the Lincoln Tomb,** spray-painting swastikas and obscenities on the walls of the observation deck and the bust of the president at the entrance of the Springfield, Illinois, memorial. *(AP)*
- **More money is being spent in the United States building prisons** than building universities, according to an analysis of state and federal budget priorities. State government expenditures on prisons rose 30 percent from 1987 to 1995 as spending on higher education fell 18 percent, the research and advocacy organization Justice Policy Institute found. *(WP)*
- **The air force has launched a Titan 4B,** its newest, strongest rocket, with a satellite for detecting enemy missiles. The 20-story, unmanned rocket blasted off from Cape Canaveral Air Station in Florida. *(AP)*
- **Flooding along the rain-swollen Rock River** forced hundreds to flee their homes in Illinois, while residents along the Illinois River prepared for a possible evacuation. Erie, Illinois, was mostly dry, but officials said Rock River was covering 15,000 surrounding acres. *(AP)*

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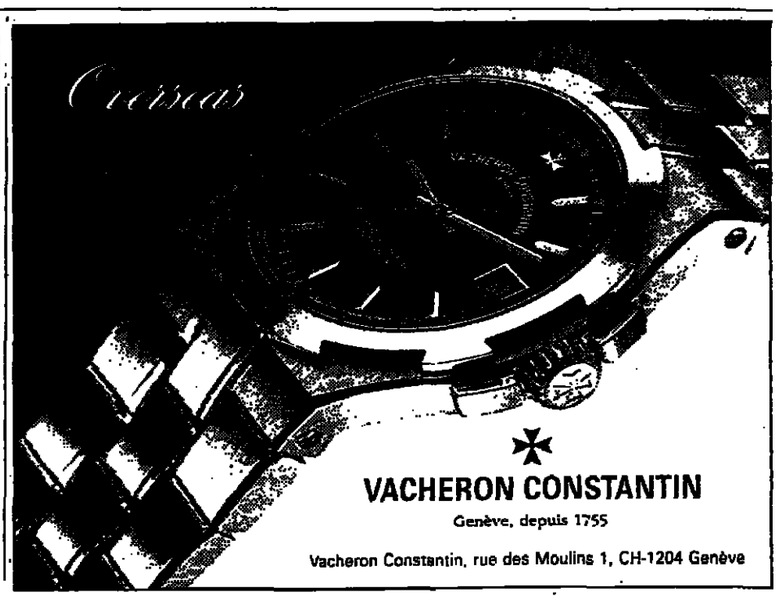

ASIA/PACIFIC

Beijing Seals Off Students' Means of Protest in Aftermath of Deng's Death

By Seth Faison
New York Times Service

BEIJING — At the Triangle, the three-sided intersection on the campus of Beijing University where student posters ignited the democracy movement of 1989, there is no free space on the bulletin boards.

As students returned to campus for classes that resumed Monday after the Chinese New Year holiday break, they found the area covered with official tributes and photographs of Deng Xiaoping, who died Wednesday.

Long black banners proclaimed: "Eternal Glory to Beloved Comrade Deng Xiaoping" and "Comrade Xiaoping, Beijing University Students and Teachers Will Always Remember You."

On the spot where, in 1989, handwritten posters pushed free speech to a chaotic but powerful apex, the commemorations of Mr. Deng are neat and orderly, put up by university officials to preempt any student initiative that might threaten Beijing's precarious political calm.

Uniformed guards patrolled the area, ready to protect the official version of history from any challenge, no matter how small.

Student movements have been at the crest of political change in China in this century, and student activity is a sensitive barometer in any period of transition. Beijing University was a hotbed of radical politics at the outset of the Cultural Revolution in 1966 and was the incubator of the democracy movement in 1989, as the authorities are well aware.

But the passing of Mr. Deng is provoking little reaction from students, because China's new leaders are so concerned that any spontaneous political expression could spark unrest that they are taking extensive measures to prevent it. So far, there seems to be little to worry about.

"No one thinks it would achieve anything," said Xiao Nan, a second-year student of French. "Whenever I try talking to my classmates about issues of national interest, they tell me to mind my own business and study."

Sitting in his dorm room, with six bunks crammed between bookshelves, crisscrossing clotheslines and a Brooke Shields poster, he said students typically spent free time playing computer games or discussing how to make money.

It was this dormitory, Building 28, that student leaders like Wang Dan and Chai Ling made their headquarters in 1989, leaving the halls a mess of mimeographed pamphlets and independent newsletters. The interior is now kept relatively neat.

"It's not that everyone is so happy," Mr. Xiao said. "But even a small action would be blocked immediately, so we all know there is no point in trying."

Last December, Mr. Xiao said, he and a classmate tried to organize a burning of a Japanese flag to commemorate Japan's wartime atrocities in China, but university officials stopped them. The same would probably happen now, he said.

During Mr. Deng's memorial service Tuesday, a university official said, classes are to be suspended and television sets placed all over campus for students to watch. The central authorities have instructed the university to make sure that every set works, he said, so that no student can use the excuse of being unable to watch the televised service to go out and stir unrest.

The university's security forces, propaganda department and president's office are on 24-hour alert, he added, in case any disturbances arise.

"If any unauthorized posters go up, they will be taken down immediately," said the official, who spoke on the condition that he not be identified.

For authorities nervous about student reaction, it is a consolation that Mr. Deng died during school vacation, giving officials time to prepare. Many ordinary Chinese fear that Mr. Deng's death is the kind of event that may spark disturbances.

At the Triangle, one wall of bulletin boards was covered with front pages from a dozen leading newspapers that appeared the morning after Mr. Deng's death. The pages were identical in layout, headlines and choice of photograph.

A young man nodded at a picture of Mr. Deng swimming in July 1989, one month after ordering the brutal suppression of the democracy movement in Beijing, where hundreds of unarmed civilians were killed near Tiananmen Square.

"Acting as though nothing were wrong," he said.

China's Course in the Post-Deng Era

Q & A / Winston Lord

As ambassador to China from 1985 to 1989 and assistant secretary of state for East Asian and Pacific Affairs during the first Clinton term, Winston Lord has been an architect of U.S. China policy. He spoke with Brian Knowlton of the International Herald Tribune about how China is likely to evolve in the months and years after the death of Deng Xiaoping.

Q. China has been preparing the post-Deng transition for a few years now, but does that mean it will be smooth?

A. We have to separate out two periods of transition: the immediate one of the next few months, leading up to the autumn Party Congress — all indications are that it should go quite smoothly — and, more fundamentally, what happens in the years after that. I think the collective leadership led by Jiang Zemin seems quite secure for the time being.

•

Q. What indicators should we be watching?

A. Among the indicators is what happens to Premier Li Peng — what title and position of power he holds after the Party Congress. Under the constitution, he has to give up the premiership after two terms.

Another sign is whether Jiang Zemin resurrects the title of party chairman — whether he is able to pull that off, or whether his colleagues feel he has enough titles.

In the next few years, a crucial issue will be whether there is a re-examination of the verdict on Tiananmen Square. It is currently labeled a counterrevolutionary riot. But I'm convinced they will rewrite history again and call it what it was: a great patriotic movement. Those most closely associated with the massacre would obviously oppose such a rewriting and would be damaged by it, whereas reform-minded Chinese would profit.

•

Q. Would you expect China to be a bit more inward-looking during this period, or could this be a time of saber-rattling?

A. The two main preoccupations for '97 in China will be, first, the reversion of Hong Kong on July 1, and second, the Party Congress in October. There will be an effort to project normalcy, continuity and reassurance to the outside world. I would not expect aggressiveness on the international scene.

Q. The statement from the funeral committee made note of the fact that Deng's death was being mourned by people of all ethnic backgrounds. This follows ethnic rioting in the Far West. Will ethnic troubles affect the transition?

A. There are some specific, serious ethnic problems, most notably in Tibet, the Muslim areas of the Far West, and Inner Mongolia. On the whole, however, China does not face the dangers of a breakup that the former Soviet Union did. Over 90 percent of the people are Han Chinese; there is a strong sense of Chinese nationalism; and most of the country's territory has been part of the Chinese empire for a very long time.

Q. A few years ago you predicted that once Deng died, "we're going to see a major move towards a more pragmatic and reformist government, a move towards a more pluralistic, if not democratic, system." Do you still think so?

A. I think this will clearly happen. I'm not predicting it will take place immediately, but those will be the trends over the medium term.

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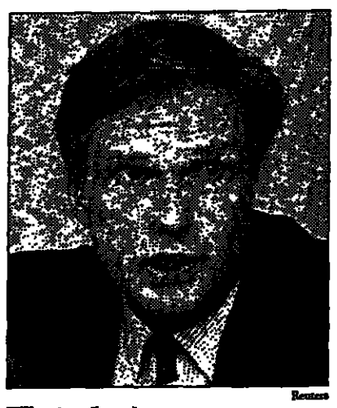
Q. Do you expect the Hong Kong handover to proceed as it would have had Deng not died?

A. I think the jury is out on Hong Kong's future. China has every incentive to make sure Hong Kong remains prosperous — there are huge economic stakes, the impact on Taiwan, and China's international reputation. But the real question is whether Beijing understands what is required to make Hong Kong flourish — that you can't wall off the economic system from the political system.



Reuters

Winston Lord

Q. Has U.S. policy gotten too soft on China? Is it exaggerating the fragility of China, or worrying too much about its own financial stake in China's future?

A. I don't believe so. It is important to be firm in our beliefs and values.

The engagement policy is the correct one, but it does not mean appeasement or naïveté. Engagement means cooperation and tough negotiation. It also means speaking out forcefully on human rights, enforcing trade and nonproliferation agreements with the threat of sanctions, sending aircraft carriers into the Taiwan Strait, and maintaining our alliances and our Pacific force levels.

BRIEFLY

Patten Fears Chaos Over Legal System

HONG KONG — China's plan to change more than 20 Hong Kong laws, including human rights legislation, will create legal confusion and doubt about the territory's freedoms and autonomy, the Hong Kong governor, Chris Patten, said Monday.

Among the territory's laws that the Chinese legislature voted Sunday to scrap or amend include the umbrella Bill of Rights and the freedoms of association and assembly. The decision will take effect July 1, when China takes over Hong Kong again.

"There can be no illusions about the consequences of this decision," Mr. Patten said. He added that the decision "casts doubt on the freedoms and autonomy" of Hong Kong and "will cause legal confusion and invite legal challenge." *(AFP)*

Taleban Interrogates French Aid Workers

KABUL — The case of two French aid workers detained in Afghanistan for "immoral deeds" has been referred to the attorney general, a Taleban minister said Monday.

Information Minister Amir Khan Mutaqi said the aid workers were "being interrogated to see what crimes have been committed."

The two employees of Action Against Hunger, Frederic Michel and Jose Daniel Lloreńte, and four of their local staff, have been held since Friday by the Islamic Taleban militia.

Witnesses said Taleban soldiers entered the organization's residence and arrested some of the staff. They also searched the residence and removed cameras, photographs, compact discs and magazines. *(Reuters)*

Seoul to Restart Talks On Northern Defector

SEOUL — South Korea will resume talks with China this week on ensuring safe passage for a North Korean defector seeking asylum in South Korea, the Foreign Ministry said Monday.

Hwang Jang Yop, 74, the highest-ranking North Korean ever to flee the Communist country, took refuge in the South Korean consulate in Beijing on Feb. 12. Negotiations had been suspended because of the death last week of China's senior leader, Deng Xiaoping, but talks will resume after a memorial service Tuesday, the ministry said. *(AP)*

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EUROPE

Cloning Animals Offers a Shortcut in Making New Drugs

By Lawrence M. Fisher
New York Times Service

Leaving aside the science fiction scenarios and ethical debates, the first products to emerge from the remarkable cloning of an adult sheep by British researchers will probably be animals that can serve as drug factories.

PPL Therapeutics PLC, a small biotechnology company based in Edinburgh, has the rights to the technology developed at the Roslin Institute for the production of genetically altered mammals that could produce therapeutic proteins in their milk. Patents have been applied for. The institute retains all agricultural rights.

Although the Roslin Institute's lamb is ordinary in every respect but its conception, scientists could easily clone animals genetically engineered to produce pharmacologically useful proteins in their milk, Dr. Ron James, managing director of PPL, said in a telephone interview. This would be more efficient than the current process of cultivating genetically altered yeast, bacteria or mammalian cells.

PPL already uses genetically altered, or transgenic, animals to produce drugs, as does the Genzyme Transgenics unit of Genzyme Corp., based in Framingham, Massachusetts. But in both cases the gene that will prompt production of the protein is added to cells at an early stage of development. Only some cells take up the genes and produce the protein efficiently, so the results, both in terms of the animals produced and the amount of protein from each animal, are inconsistent.

By current methods, "to get a transgenic animal, you have to try and try and try, and it's a probability game," said Viren Mehta, a biotechnology analyst with Mehta & Isaly. "Here, if you succeed in making that transgenic cloned sheep, you are essentially home free. You just keep making them."

But Dr. James said the cloning of the sheep was "repeatable, reproducible science." He said the company and its collaborators at the Roslin Institute had already cloned seven sheep, including three different breeds from three different cell types, although just one of these was from an adult cell. The technology is equally applicable to pigs, goats, rabbits, indeed any mammal.

Dr. James said the company could produce transgenic cloned animals capable of secreting pharmacologically useful proteins in their milk within two years. These will give more consistent levels of protein than do current transgenic animals, he said.

'If you succeed in making that cloned sheep, you just keep making them.'

"Also, instead of producing just one, we could produce half a dozen females at a time, making sure we could produce enough proteins to go into clinical trials," he said. Drugs from these trials, if successful, would be about a decade away.

Shares of PPL closed unchanged Monday at 335 pence ($5.43) on the London Stock Exchange.

PPL has about 120 employees in Edinburgh, with 20 at its American subsidiary, PPL Therapeutics, in Virginia, and five in New Zealand.

A PPL drug produced by transgenic sheep, an alpha-1 antitrypsin protein that inhibits the enzyme elastase, is in the first phase of human clinical trials for treating cystic fibrosis. Phase one trials demonstrate safety of a new drug; efficacy and dosing are established in the second and third phases.

In October, Genzyme completed phase one trials of its first transgenically derived drug, antithrombin 3, a protein involved in the blood-clotting process that is normally derived from plasma but that the company produced in the milk of genetically altered goats. Genzyme said safety was demonstrated in healthy patients who were given clinical dosages well above those expected to show efficacy. The market for the drug is about $200 million a year.

Transgenically derived proteins should be safer than blood-derived products, because they will not be subject to the theoretical risk of transmission of viruses, including HIV and hepatitis. They should also be less costly than biotechnology drugs produced by fermentation because one large mammal can produce far more protein in her milk than the vast colonies of cells needed for current processes. Biotechnology industry analysts say these could substantially increase the market for therapeutic proteins, currently $7.6 billion a year and expected to grow to $18.5 billion by 2000.

The ability to clone adult mammals could encourage the production of transgenic animals with organs suitable for transplants to humans, a solution to chronic organ shortages. Four small companies are racing to develop pigs to serve as organ donors for humans. Such cross-species operations could be common in a decade, the companies say.

National Front Aims to Scare Immigrants, Mayor Says

Reuters

BERLIN — Catherine Megret, the new extreme-rightist mayor of Vitrolles, in southern France, said in an interview published Monday that France was in a state of emergency and that her National Front wanted to instill fear in immigrants.

A political newcomer who ran in place of her husband — Bruno Megret, the National Front No. 2 — Mrs. Megret told the Berliner Zeitung that she would cut almost all social payments to immigrants.

She said that pro-immigrant groups would lose their subsidies and that most leftist books would be removed from city libraries, adding that rap and black musicians would also be unwelcome.

"Our voters wanted us to scare people who don't belong," Mrs. Megret said in her first interview since taking control of the town hall in Vitrolles on Feb. 16.

"You must see that we here in France are now in a state of emergency," she said. "We have to act fast."

Vitrolles was the fourth southern city to be captured by the National Front after Toulon, Marignane and Orange.

The Berliner Zeitung said it had published what it called a "painful" interview in order to show that "French racism uses arguments that have become acceptable elsewhere."

Mrs. Megret told the newspaper: "We will immediately stop all state aid to immigrants and give the money to French people. Our motto is: French first.

"Unfortunately, there are some services we will have to continue providing, but there won't be one centime more for them beyond that," she said.

"You'll see how quickly they disappear from here. They're only here for the money. If we could do it at communal level, we would also take a look at the naturalization files for some foreigners who are now running around with a French passport."

Mrs. Megret accused the French left of banning National Front publications from public libraries for years and asked: "Why not try it the other way around? But we won't go as far as to ban the leftist press. That would be another argument for the left."

The new mayor accused social workers hired by the city's previous Socialist administration of making common cause with young criminals instead of helping to prevent crime.

"We will abolish these posts completely and hire policemen in their place who, instead of trying to prevent crime, will crack down hard," she said.

"We have to pursue and punish criminals," she said. "It's mostly the immigrants."

Mrs. Megret, whose grandparents were Jewish immigrants from Russia, said she saw no contradiction between her family background and her present views against immigration.

"That was the past; the situation today is completely different," she said.

Scientist Worked Hard, in Secret

Creation of Clone Puts Spotlight on Ian Wilmut, Embryologist

By Youssef M. Ibrahim
New York Times Service

LONDON — His hobby is walking in the mountains of Scotland. He relaxes with "a good single malt Scottish whisky," and enjoys the quiet of his village near Edinburgh that is "so small you wouldn't be able to find it in an atlas."

But the real passion of Dr. Ian Wilmut, a 52-year-old embryologist at the Roslin Institute in Edinburgh, is his laboratory, where he has worked the last 23 years, laboring over his experiments at least nine hours a day.

It was at the laboratory that he led a group of scientists in accomplishing a feat many others have said could never be done: cloning an adult mammal, a sheep, for the first time. Success occurred in July 1996 when a lamb, named Dolly, was born.

The experiment had been in the making for some time, but full knowledge of its details was restricted to four scientists among a group of 12 researchers. Dr. Wilmut said secrecy had been necessary to await the first successful birth of a lamb. Then the group kept it quiet a while longer until it registered a patent to secure the breakthrough.

Indeed, until Sunday, little was known outside the scientific community about Dr. Wilmut and his group.

"We all should be joyful today," Dr. Wilmut said in a telephone interview as he discussed the potential for altering pig organs so that they can be more readily transplanted to humans.

"Our technology permits a change of the organs in animals, so they are less threatening for the human immunology." He predicted that pharmacological proteins would be produced in a "small number of years," creating new opportunities to cure humans.

But there are disturbing possibilities as well. The successful experiment creates at least the theoretical possibility that humans could be cloned, raising ethical and philosophical questions.

"We can't see a clinical reason to copy a human being," Dr. Wilmut said. "In this country it is illegal already. Furthermore, we are briefing authorities to make sure this technique is not misused."

Dr. Wilmut, who was born in Hampton Lucey, England, near Warwick, went into embryology as an undergraduate at the University of Nottingham, where his mentor was G. Eric Lamming, a world famous expert in the science of reproduction. From then on, Dr. Wilmut said, he knew animal genetic engineering was his life's quest.

In 1971, he went on to Darwin College at Cambridge where he received his doctoral degree two years later after submitting a thesis on freezing of boar semen.

He headed almost immediately to Scotland where he joined the Animal Breeding Research Station, an independent animal research institution financed by government and private donors that eventually became the Roslin Institute, in Roslin, Scotland.

"I have known him for 10 years," said Dr. Ron James, chief executive of Pharmaceutical Proteins Ltd., or PPL, a company based in Edinburgh that has paid for some of the work at the Roslin research center and hopes to develop commercial applications for it.

"The words that come to mind about him are careful, diligent, honest and thoughtful," Dr. James said.

By all accounts, Dr. Wilmut leads a quiet life with his wife, Vivian. They have three grown children.

Dr. Wilmut, whose house overlooks green fields and grazing, uncloned animals, said that as he looks to the future now, his primary objective is to drive his project forward "to enable us to study genetic diseases for which there are presently no cures."

Reuters

Dr. Ian Wilmut, 52, of Edinburgh, with some of his experimental sheep. "We can't see a clinical reason to copy a human being," the scientist says.

CLONE: *Science Opens a Pandora's Box*

Continued from Page 1

at Loyola University in Maywood, Illinois, cautioned that people might not understand clones. While a clone would be an identical, but much younger, twin of the adult, people are more than just the sum of their genes. A clone of a human being, he said, would have a different environment than the person whose DNA it carried and so would have to be a different person. The clone would even have to have a different soul, he said.

The cloning was done by Dr. Ian Wilmut, a 52-year-old embryologist at the Roslin Institute in Edinburgh. Dr. Wilmut announced Saturday that he had replaced the genetic material of a sheep's egg with the DNA from an adult sheep and created a lamb that is a clone of the adult. He is publishing his results Thursday in the British journal Nature.

While other researchers had produced genetically identical animals by dividing embryos soon after they had been formed by eggs and sperm, Dr. Wilmut is believed to be the first to have created a clone using DNA from an adult animal. Until now, scientists believed that once adult cells had differentiated — to become skin or eye cells, for example — their DNA would no longer be usable to form a complete organism.

In an interview, Dr. Wilmut said he wanted to create new animals that could be used for medical research, and he dismissed the notion of cloning humans. "There is no reason in principle why you couldn't do it," he said. But he added, "All of us would find that offensive."

Yet, others said that might be too glib. "It is so typical for scientists to say they are not thinking about the implications of their work," said Dr. Lee Silver, a biology professor at Princeton University. Perhaps, he added, "the only way they can validate what they are doing is to say they are just doing it in sheep."

Few experts think that sheep or other farm animals would be the only animals to be cloned. While cloning people is illegal in Britain and several other countries, John Robertson, a law professor at the University of Texas at Austin who studies reproductive rights and bioethics, said there were no laws against it in the United States.

If such a law was passed, Dr. Silver said, doctors could set up clinics elsewhere to offer cloning. "There's no way to stop it," Dr. Silver said. "Borders don't matter."

Dr. Ronald Munson, an ethicist at the University of Missouri at St. Louis, said the cloning itself was relatively simple. "This technology is not, in principle, policeable," he said. "It doesn't require the sort of vast machines that you need for atom-smashing. These are relatively standard labs. That's the amazing thing about all this biotechnology. It's fundamentally quite simple."

One immediate implication of cloning, Dr. Silver said, would be for genetic engineering: custom-tailoring genes. Currently, scientists are unable to take a gene and simply add it to cells. The process of adding genes is so inefficient that researchers typically have to add genes to a million cells to find one that takes them up and uses them properly. That makes it very difficult to add genes to an embryo — or a person — to correct a genetic disease or genetically enhance a person, Dr. Silver said. But now, he said, "it all becomes feasible."

Because cloning had been considered so far-fetched, scientists had discouraged ethicists from dwelling on its implications, said Dr. Daniel Callahan, a founder of the Hastings Center, one of the first ethics centers.

In the early 1970s, "there was an enormous amount of discussion about cloning," Dr. Callahan said, and ethicists mulled over the frightening implications. But scientists dismissed these discussions as idle speculation about impossible things, he recalled, and urged ethicists not to dwell on the topic.

"A lot of scientists got upset," Dr. Callahan said. "They said that this is exactly the sort of thing that brings science into bad repute and you people should stop talking about it."

In the meantime, however, cloning had captured the popular imagination. In his 1970 book, "Future Shock," Alvin Toffler speculated that "cloning would make it possible for people to see themselves anew, to fill the world with twins of themselves."

Woody Allen's 1973 movie "Sleeper" involved a futuristic world whose leader had left behind his nose for cloning purposes. A 1978 movie, "The Boys From Brazil," involved a Nazi scheme to clone multiple Hitlers.

But gradually, the notion disappeared from sight, kept alive only in the animal husbandry industry, where companies saw a huge market for cloned animals and where the troubling ethical implications of cloning could be swept aside.

Now these questions are back to haunt ethicists and theologians.

With animals, for example, Dr. FitzGerald cautioned, clones would share an identical susceptibly to disease, so that an entire cloned herd could be wiped out overnight if the right virus swept through it.

EU Pact Blocked With Pretoria

The Associated Press

BRUSSELS — Spanish objections derailed European Union efforts Monday to speed up trade talks with South Africa, which remain bogged down on several fronts after three years of negotiations.

At an EU foreign ministers meeting, Spain rejected a proposal to partly fold South Africa into a trade and aid accord between the Union and a group of 70 African, Caribbean and Pacific nations, known as the ACP.

It insisted that South Africa must simultaneously conclude a free trade accord with the EU and separate deals on trade in wine and spirits and a fishing agreement.

EU foreign ministers will return to the issue in March and still hope to complete a deal at an April 24-25 meeting with their ACP counterparts in Luxembourg.

The size of South Africa's economy has made it difficult for the EU to wrap it into its Africa trade pact. In 1995, South Africa's exports to the EU totaled $9 billion, almost half the $22.5 billion of exports from the 70 ACP nations combined.

On Monday, the EU African affairs commissioner, Joao de Deus Pinheiro, said South Africa had accepted "qualified membership" in the EU-ACP accord that would deny it preferential access to public works tenders in Europe and exempts it from aid stabilizing ACP export products.

BRIEFLY

Yeltsin Opposes Changes In Russian Constitution

MOSCOW — President Boris Yeltsin, under pressure to give up some of his sweeping powers, told politicians Monday to forget about constitutional changes for now.

"Do not even mention any kind of constitutional change or amendment," Mr. Yeltsin said on television. "Society is not ready for it."

"I think it will take a few more years for something new to take shape," said Mr. Yeltsin, who was meeting with the new president of the Constitutional Court, Marat Baglay. *(AFP)*

Turkey Acts to Stem Influx

ANKARA — Fearing another influx from Bulgaria, Turkey has decided to press some 200,000 Bulgarians of Turkish descent to return to Bulgaria to discourage further arrivals.

An Interior Ministry decree, issued last month, paves the way for the possible deportation of ethnic Turks who arrived from Bulgaria on tourist visas after Jan. 1, 1993.

Turkey's ailing economy can no longer cope with the newcomers, most of whom have expired visas, the government says. Ethnic Turks in Bulgaria now number about 800,000. *(AP)*

'Mad Cow' Carcasses Pile Up

LONDON — The opposition Labour Party warned on Monday that Britain faced a huge problem in disposing of cattle slaughtered to tackle "mad cow" disease and that it could take 13 years to incinerate all the carcasses.

"The remains of one million cattle slaughtered in last year's cull are waiting to be destroyed," the party's deputy leader, John Prescott, told a news conference.

Mr. Prescott said research by Helen Jackson, a Labour member of Parliament's Environment Committee, had shown that by January less than 4 percent of the cattle slaughtered last year had been disposed of by incineration.

He said the government was using 41 cold stores, 11 warehouses and locations such as the container port in Hull, eastern England, to store carcasses and rendered-down meat and bonemeal. *(Reuters)*

ETA Royal Plot Reported

PARIS — The Basque separatist group ETA planned to kidnap or murder King Juan Carlos's daughter Elena at one of her riding schools in southwest France, a French counterterrorism expert said on Monday.

Roland Jacquard, president of the International Observatory on Terrorism, told the daily France-Soir in an interview that investigators had found documents linking a suspected ETA leader, Jose Luis Urrosolo Sistiaga, arrested last month, to the plan.

"Urrosolo had planned a very media-friendly, symbolic coup: the kidnapping or assassination of the Spanish infanta Elena," said Mr. Jacquard, who has close links to French security sources.

French police were not immediately available for comment. *(Reuters)*

Albanian Students in Boycott

TIRANA — Albanians, angry at losing money in a pyramid investment swindle, on Monday took to the streets in the southern town of Vlore for the 20th day while students in another town boycotted lectures in protest at the scandal.

Around 7,000 demonstrators in the Adriatic port were joined by local government employees for the daily protest march along Vlore's central boulevard, which lasted just over an hour, witnesses said.

They gathered briefly in front of the university to show support for 53 students inside who have been on hunger strike since Thursday. *(Reuters)*

NATO: *Russia Signals Its Readiness to Work Toward Agreement on Alliance Enlargement*

Continued from Page 1

full role in key planning tasks and command structure.

Both sides now concur that Russia would have a voice, but not a veto, over NATO decisions and that meetings would take place at various levels right up to heads of state. But the format of the charter, which Russia wants to call a legal document akin to a treaty, remains unclear because NATO says it should only be political in character and not require ratification by parliaments.

NATO sources say this point should not detract from its worth, noting that the 1971 Berlin agreements and the 1975 Helsinki Final Act were nonbinding political accords that were respected by their signatories.

In any event, NATO officials say they are now confident that a final NATO-Russia agreement could be endorsed by heads of state and government at a summit in Madrid in July, when the alliance plans to announce which former Warsaw Pact states will be invited to become full members.

President Boris Yeltsin said Sunday he hoped a compromise on the NATO enlargement dispute could be reached with President Bill Clinton when they meet in Helsinki on March 20-21.

Despite signs of a more cooperative approach by Russia, NATO officials emphasized there are still serious differences over the military implications of NATO expansion. They said Mr. Primakov reaffirmed Moscow's demands for deeper unilateral cuts by the West to reduce a three-to-one superiority in conventional weapons, along with firm guarantees that nuclear weapons and modern military infrastructure will not be based on the territory of new members.

"They have come to realize the need to show flexibility and not make any of these issues a showstopper," a senior NATO diplomat said. "But these are real sticking points that may go right down to the wire."

Last week, the 16 NATO allies offered to make dramatic cuts in their conventional arsenals at the East-West security conference in Vienna to compensate for the lopsided advantage they now enjoy.

Since the bloc-to-bloc arrangements of the 1990 treaty limiting conventional forces in Europe are outmoded, the Western alliance agreed to adopt a Russian proposal that will establish national ceilings for tanks, helicopters, combat aircraft and artillery of the 30 countries that signed the treaty.

In addition, NATO has promised to accept territorial zone limits that would prevent any massing of allied arsenals in a way that would frighten Russia into thinking the West was preparing to attack.

Protest Over Truck Traffic Blocks Swiss Border Road

Reuters

ZURICH — Greenpeace activists blocked a highway into Switzerland from Germany for about seven hours Monday to protest European Union pressure for an end to Swiss limits on trans-Alpine truck traffic.

The police broke up the demonstration and cleared away barricades in the late afternoon after traffic from Germany to Basel, the second-largest Swiss city, had been forced to detour since the early morning.

About 30 demonstrators blocked the highway by putting up sheets of plywood with gaps cut in them, through which cars could pass but not trucks. Traffic was diverted through several other border posts in the area, which has a large number of crossings between Basel and Germany and France.

A Greenpeace spokesman said the protest was aimed at stopping Switzerland from conceding to EU demands. Switzerland wants a trade treaty with the Union, but Brussels is demanding that Bern in return raise weight limits that keep most EU trucks from carrying goods across the Swiss Alps.

A Phone-Sex Line That Won't Let Pacific Islanders Breathe Easy

In Frequent Mix-Ups, Residents Are Awakened by Lewd Calls

Agence France-Presse

AUCKLAND, New Zealand — A lust for telephone sex in the developed world is creating a moral dilemma for two tiny, conservative Pacific nations through which the calls are routed.

Services promising sexual satisfaction over the telephone, advertised in magazines in Britain, the United States and Japan, are providing Tuvalu and Niue islanders with huge revenue but disturbing their sleep and consciences in the process.

In frequent line mix-ups, phone-sex clients are being accidentally connected to residents' homes. A senior Niuean official said that every home on the island had been awakened at some point in the early hours.

"We cannot pick up the language," he said, "but they seem to want heavy breathing, which is what they get because we are being woken up at that hour."

The advertisements appear in British, American and Japanese men's magazines, and cater to a kaleidoscope of sexual fetishes.

Prime Minister Bikenibeu Paeniu of Tuvalu said that 10 percent of the national revenue came from telephone sex lines.

Tuvalu is situated north of Fiji and has a population of about 9,900, while Niue, west of Fiji, has a population of just 1,000.

The islands lease out vacant numbers to Asia Pacific Telecommunications Ltd., which in turn rents the lines to other clients.

But although most of the calls actually terminate in Wellington, the idea that lewd calls pass through the islands has sparked outrage.

"If it is true, then this is the most degrading thing that has ever happened to Tuvalu," Rosette Alefaio, the head of a Tuvalu Christian group, told Island Business magazine. "Tuvalu is a Christian country and things advertised in the magazines do not, and never will happen in Tuvalu."

Prime Minister Frank Lui of Niue said Wednesday he had ordered that his country's telephone lines not be linked to the worldwide adult sex service.

Mr. Lui said he was not comfortable with Niue's name and 683 area code being linked with sex ads. He said, "I want Niue's reputation kept clean."

One of the attractions of the island numbers is that they are short, giving users a false impression that they are making local, and therefore cheap, calls.

But Mr. Paeniu, the prime minister of Tuvalu, is maintaining a pragmatic stand in view of the sheer scale of the revenue.

"I can say that it is really going to be a moral issue for us, a really big moral issue," Mr. Paeniu said, but added that if his country passed up the sex industry offer, other countries would take it.

Campus Closed In Kenya After Rioting Over Student's Death

The Associated Press

NAIROBI — Nairobi University officials closed Kenya's largest campus Monday after hundreds of rioting students took to the streets to protest the apparent killing of a student leader.

The police said they were investigating the death of Solomon Muruli, whose charred body was found early Sunday in his room after a fire apparently caused by an explosion swept through his dormitory on the university's Kikuyu campus, 20 kilometers (12 miles) from Nairobi.

Mr. Muruli, a fourth-year education student, had accused the police of kidnapping and torturing him last year after his involvement in demonstrations in November.

Those protests were held over alleged police brutality and deteriorating living conditions on the campus.

Mr. Muruli told fellow students last week that he had received a death threat before he identified a police officer suspected in his torture.

A statement signed by 16 student leaders expressed "lack of trust in the police investigation into the late Solomon Muruli saga, owing that the same force had been implicated in his abduction, torture, dumping and continuous harassment until his untimely death."

The police deny that they ever held Mr. Muruli. No comment was available from the police Monday on his death.

Mr. Muruli's doctor, Ling Merate Kitugi, issued a statement that said the student had expressed fear for his life.

"I call for a postmortem and independent inquest into his death," Dr. Kitugi wrote.

Students waving tree branches blocked the center of Nairobi on Sunday night to protest Mr. Muruli's death. Some shops were looted, but it was not certain whether the looters were students.

"We are tired of being killed by police," the students chanted. "We want justice."

The semiofficial Kenya Television Network reported that several phone booths had been smashed and that students had thrown stones at motorists.

Near the Kikuyu campus, students set tires on fire and blocked a main highway with paving stones.

In November, the police shot and killed three students at Kenyatta and Egerton universities.

Reuters

Zhuo Lin kissing her husband, Mr. Deng, as their daughters grieved with her at funeral ceremonies Monday.

DENG: *Watched by Mourners, Leader Makes His Final Journey*

Continued from Page 1

meters from one another, to prevent any disturbances.

"Scatter Hot Tears for Comrade Xiaoping," read the black characters on a banner held up by a group of people outside the military hospital where Mr. Deng's body has rested since he died Wednesday at age 92. "Go gently, Xiaoping," read another.

People along the route wore white paper flowers, and after the body passed, most of the people lay the flowers along the road and in nearby bushes.

Such outward demonstrations of mourning have, for the most part, been suppressed. This was especially the case in Tiananmen Square, where the laying of wreaths after the deaths of Prime Minister Zhou Enlai in 1976 and Hu Yaobang in 1989 became catalysts and vehicles for popular protest.

The 1989 student-led protests culminated in demonstrations by hundreds of thousands of Beijing residents and then in a bloody crackdown by Chinese troops.

The government announced that martial law would be in effect for Tiananmen Square during the memorial service to be held at the Great Hall of the People on Tuesday morning. Expected to attend are about 10,000 invited guests from around the country, but no foreigners. President Jiang Zemin will deliver a eulogy.

Though Chinese leaders are trying to make a show of unity and stability, there already have been some cracks in the facade.

Zhao Ziyang, the former Communist Party chairman and Mr. Jiang's immediate predecessor who was ousted during the 1989 uprising, has asked to attend the memorial service, according to Reuters, but was turned down by Mr. Jiang.

Mr. Zhao has been under a loose form of house arrest, able to travel as long as he first obtains permission. But the rejection of his request to attend the service was seen by analysts as evidence that the current leadership still regards Mr. Zhao as a potential threat — someone who might still rally relatively liberal people within the party, among whom his connections run deep.

Another fissure seemed to appear in the Beijing leadership when the monthly magazine Zhongliu, associated with one of the party's die-hard leftists, printed a criticism of a book of conversations with Mr. Jiang and descriptions of his ideology. The magazine's patron is Deng Liqun, often known as "little Deng" though he is no relation to Deng Xiaoping. Little Deng, one of the party's more conventional ideologues, has written with horror about the decline of the Communist Party and the wholesale embrace of Western capitalism.

Little Deng was also excluded from the 459-member funeral group arranging the ceremony. Reuters said the magazine has been suspended.

CHINA: *Differences Over Rights 'Made Clear,' Albright Says*

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Pakistan and exporting equipment that could be used for chemical weapons.

Aides said that Mrs. Albright had raised a series of human rights issues at her meetings with Prime Minister Li Peng and Foreign Minister Qian Qichen. Unlike her predecessor, Warren Christopher, however, she did not raise specific cases of individual repression.

U.S. officials said that they had been talking to Beijing for months about symbolic gestures to improve the human rights situation, including the release of political prisoners and improved access to prisons for the International Red Cross.

But they said it appeared most unlikely that Mrs. Albright's visit would result in any concrete breakthrough, an impression heightened by the political uncertainty caused by Mr. Deng's death.

"The emphasis in China in the coming weeks and months is likely to be on continuity, on stability within the leadership, on building consensus," said an official accompanying Mrs. Albright.

The secretary of state told reporters that the United States would go ahead with cosponsoring a resolution condemning China's record on human rights at the annual United Nations human rights conference in Geneva at the end of March in the absence of further Chinese concessions, but that there was "still time" to avert such a step.

She said that plans for an exchange of visits between Mr. Clinton and President Jiang Zemin remained on schedule, but that no dates had been agreed. She announced that Vice President Gore would be making a previously planned visit to Beijing next month.

Mr. Jiang received Mrs. Albright while making the finishing touches to the funeral oration he is due to deliver Tuesday for Mr. Deng. "Jiang was statesmanlike and serious," said an American official who attended the meeting with Mrs. Albright.

In the past, American officials have not known quite what to make of Mr. Jiang, who has a displayed a penchant for veering off the subject and telling irrelevant stories. American China experts seem divided on whether Mr. Deng's designated successor is a good-natured mediocrity or a cunning politician adept at hiding his talents.

American officials said that the often acerbic prime minister, Mr. Li, who is widely regarded as the leading hardliner in the Chinese leadership, appeared to be going out of his way to be charming in his meeting with Mrs. Albright.

"This was the nice Li Peng," said one Albright aide, noting that the prime minister restricted his sharp exchanges to the subject of human rights.

TRADES: *Insiders Blacken Tokyo Stocks*

Continued from Page 1

"It's part of doing the job in Japan."

In share-price manipulation, stocks rise on the strength of a mythical story enhancing a company's prospects. Such rumors are floated in trading rooms or through articles in tip sheets that are read by many of the brokerages that push stocks in Japan, where shares are sometimes still sold door to door. When the author and others familiar with the scheme are satisfied with the rise in the company's stock they sell their sizable holdings. This sends the share price plummeting and leaves unaware investors with losses.

"The last ones out of the stock are usually the old ladies who bought at the peak," said a senior broker at an American brokerage house in Tokyo, who also asked not to be identified.

Prevalent insider trading and share-price manipulation help explain why just 7 percent of Japanese own stock, compared with around 20 percent in Britain and the United States. It also helps explain why small companies here have such difficulties raising money to expand.

When Prime Minister Ryutaro Hashimoto vowed last year to rejuvenate Japan's economy and make Tokyo's financial district as competitive as those of New York and London by 2001, he made no mention of insider trading and share-price manipulation.

Perhaps the main reason for the lack of government resolve to tackle market shenanigans, brokers said, is that politicians are often involved. Especially in election years, politicians or their close supporters use insider information or join schemes to inflate share prices to cover campaigning costs, brokers said. In fact, politicians are so active in the netherworld of Japanese stocks that the shares they most commonly use to raise money are dubbed "political issues."

While no Japanese politician has ever been prosecuted for breaking trading laws, brokers are convinced of their involvement.

"There's no smoke without fire," the Japanese broker at the foreign brokerage said.

Reluctance at many financial institutions to forgo the gains from illegal trading and to play by the rules also hampers attempts to sweep Japan's stock markets clean.

One highly regarded foreign fund manager defended his own involvement in such trading, saying: "It's not insider trading. It's trading on privileged information." The funds he manages consistently place among the best performing funds invested in Japan.

Brokers are reluctant to abandon insider trading and share-price manipulation, because many derive a substantial portion of their income in this way. Since the real estate and share-price bubbles burst in the early 1990s, most Japanese financial institutions have halted summer and winter bonuses and frozen salaries. Once, brokers relied on ill-gotten gains to fund extravagant lifestyles. Today, they rely on them to supplement measly incomes.

Another reason for widespread illegal trading, brokers said, is the weakness of regulators. Regulation of the seven Japanese exchanges is carried out by the bourses themselves, the Securities and Exchange Surveillance Commission and the Finance Ministry.

Individual exchanges monitor trades made by member brokers. They report suspicious trades to the commission, which has a staff of about 200 and most of the responsibility for carrying out regulations.

The commission took over market regulation from the Securities Bureau of the Finance Ministry as part of the 1992 changes that made insider trading and share-price manipulation criminal offenses. The Finance Ministry oversees the exchanges and the commission and provides staff to the commission for three years, on average, a Securities and Exchange Surveillance official said.

In its latest annual report, issued in October, the commission said it had prosecuted six cases of illegal trading since its founding.

In addition, the report for the period from July 1995 to June 1996 said the commission had investigated 96 financial institutions and found minor irregularities in sales policies and transaction rules at 35.

But brokers said that clear-cut illegal trading was an everyday occurrence at most brokerages and that the regulators lacked the expertise to understand what was taking place.

"The easiest way of hiding illegal trades is to push through a lot of trades on the same day," the Japanese broker at the foreign brokerage said. "Looking back over my orders for a day, sometimes even I can't tell which were my illegal trades. The best thing the regulators could do would be to hire people who have worked in the stock market and who can spot illegal trading and to fire themselves."

BRIEFLY

20 Are Casualties Of Algeria Bomb

PARIS — A homemade bomb exploded Monday in a crowded marketplace south of Algeria's capital, killing one person and leaving at least 20 injured in the stampede that followed, witnesses said.

No one claimed responsibility for the attack at Boufarik, 40 kilometers (25 miles) south of Algiers. But media reports said that 18 civilians had been killed by armed groups in the same region since Thursday. The reports blamed Muslim militants for the deaths.

The Armed Islamic Group, one of the two most powerful armed groups backing the Islamic fundamentalists' fight against the Algerian government, renewed its call for violence Monday in a statement issued to the independent El Hayat newspaper. *(AP)*

Ankara Is Seeking Israel Military Ties

JERUSALEM — Turkey's top military leader said in remarks published Monday that he would seek to strengthen military ties with Israel during a four-day visit to the Jewish state.

The visit by the military chief of staff, Ismail Hakki Karadayi, began Monday afternoon with a tour of the Yad Vashem Holocaust Memorial in Jerusalem. Also on the agenda were meetings with Israel's prime minister and defense minister. *(AP)*

Cuban Exiles Honor 4 Downed Pilots

MIAMI — Seven planes carrying Cuban exiles flew Monday from Miami to drop wreaths and flowers over the site in the Florida Strait where Cuban MiG jets shot down two aircraft belonging to an exile group, Brothers to the Rescue, a year ago.

The planes took off after an emotional memorial service at the Opa-Locka airfield for the four people killed in the attack.

Both the U.S. and Cuban governments have warned the fliers not to provoke another incident during the anniversary ceremony. *(Reuters)*

Lima and Rebels Hold 5th Session

LIMA — The Peruvian government and Marxist rebels holding 72 hostages ended a fifth round of talks Monday that lasted two and a half hours.

After the session, the spokesman for the Tupac Amaru Revolutionary Movement was driven in a Red Cross car from the safe house where he met with a government negotiator, Domingo Palermo, back to the besieged Japanese ambassador's residence. The hostages were taken Dec. 17. *(Reuters)*

Netanyahu Plans Arab Housing, Israelis Report

The Associated Press

JERUSALEM — Prime Minister Benjamin Netanyahu of Israel has decided to build thousands of homes for Palestinians in Arab East Jerusalem, apparently as compensation for plans to build a new neighborhood for Jews in the disputed sector, media reports said.

In a meeting Monday, the mayor of Jerusalem, Ehud Olmert, and Mr. Netanyahu agreed to build 3,500 housing units for Palestinians in different neighborhoods of East Jerusalem, according to radio reports.

Mr. Olmert was quoted by Israel Radio as saying that Mr. Netanyahu also promised him he would formally approve construction of the 6,500-home Har Homa Jewish neighborhood Wednesday.

No confirmation was immediately available from the prime minister's office or the Jerusalem municipal government.

In recent weeks, Mr. Netanyahu has withstood pressure from hard-line allies to give final approval to the Har Homa project, apparently for fear of undermining the delicate peace process with the Palestinians, who strongly oppose Jewish settlement of the area, which is also known as Jabal Abu Ghneim.

Palestinian officials have rejected the idea that construction for Arabs in the city should diminish the opposition to Har Homa.

Israel occupied and annexed East Jerusalem in 1967. The Palestinians want the sector for their future capital; they oppose any increase in the Jewish population of East Jerusalem, which at 160,000 already slightly exceeds that of the Arabs.

On Saturday, the cabinet of Yasser Arafat, the Palestinian leader, issued a statement warning Israel not to go ahead with Har Homa, describing it as an effort to create facts on the ground before final negotiations, which are to decide the fate of Jerusalem and other thorny issues.

Robert Sarnoff, Succeeded Father at RCA, Dies at 78

By N.R. Kleinfield
New York Times Service

NEW YORK — Robert Sarnoff, 78, who succeeded his father as chairman of the RCA Corp. and steered it into a hodgepodge of new businesses before being removed in a "palace revolt," died of cancer Saturday.

The eldest son of the legendary David Sarnoff, whose stewardship transformed RCA into a multibillion-dollar emblem of American high technology, Robert Sarnoff fulfilled his father's dearest wish that he continue the family name at the helm of RCA.

Under him, the giant electronics and communications company became a sprawling enterprise that also rented cars, wove carpets, published books, sold frozen peas and raised chickens. In one of the messier chapters of corporate endeavor, Mr. Sarnoff extricated RCA from a troubled foray into the computer business, which cost the company dearly.

In 1975, with RCA drifting and its profits shriveling, discontent by senior executives and board members led to Mr. Sarnoff's ouster as chairman and chief executive. RCA continued to flounder in the hands of his successors. In 1985, while on the road to recovery, it was bought by the General Electric Co. and ceased to exist.

Mr. Sarnoff joined RCA in 1948 as an account executive in the sales department of the National Broadcasting Co. subsidiary. He commissioned an opera, "Amahl and the Night Visitors," from Gian Carlo Menotti that in 1953 was the first commercial program broadcast in color. At one juncture, one of his responsibilities was touring with Arturo Toscanini and the NBC Symphony. His incessant traveling facilitated his passion for collecting rare antiques and modern sculpture, especially Oriental art. By 1956, he was president of NBC.

Albert Shanker, 68, Leader Of U.S. Teachers' Unions

NEW YORK (NYT) — Albert Shanker, 68, who rose from being a substitute mathematics teacher to become a tough, canny labor leader who in the 1960s transformed New York City's United Federation of Teachers into a powerful union, died here Saturday after a three-year battle with bladder cancer.

Mr. Shanker, the longtime president of the American Federation of Teachers, the parent organization, and a respected thinker on national educational issues, is best remembered for his combative role as the head of the 85,000-member New York City teachers' union during the turmoil of the city's school decentralization experiments in 1968.

As president of the American Federation of Teachers, with 900,000 members concentrated in large cities, he was widely regarded as a champion of rigorous educational standards. In a column that he wrote for years as an advertisement in The New York Times, he called for a national competency test for teachers, pay increments tied to teacher quality and more rigorous requirements for high school graduation.

Walter Sorell, 91, Dance Critic Also Translated German Novels

NEW YORK (NYT) — Walter Sorell, 91, a prolific writer about dance and aesthetics, died Friday at Memorial Sloan-Kettering Cancer Center here.

Mr. Sorell was the New York dance critic for The Providence Journal from 1950 to 1966 and a contributor to many dance publications. He also translated several important novels from German.

Frank Laumder, 91, the director and scriptwriter whose "St. Trinian's" movies set in an unruly and bankrupt girls' school convulsed audiences, died Sunday in Monaco.

Archer Winsten, 92, who spent 50 years turning out crisp, thoughtful movie reviews for The New York Post, but only, he insisted, because he found the job a pleasant alternative to actual work, died Friday in Moreau, New York.

Robert Herman, 82, a physicist who predicted the lingering radiation from the initial explosion in the "Big Bang" theory of the universe, died of lung cancer Feb. 13 in Austin, Texas. He taught graduate physics at the University of Texas until June.

FOSTER: *Cover-Up Said to Be Refuted*

Continued from Page 1

Whitewater investigation to become dean of Pepperdine's law school Aug. 1, but has since decided to see that the investigation was "substantially completed" before taking up the post.

In addition to heading the law school, Mr. Starr was named dean of a newly created School of Public Policy that Mr. Scaife helped finance. Mr. Scaife's foundation contributed $1.1 million of the $2.75 million in start-up funds raised to create the public-policy institution.

Mr. Starr reversed his decision to go to Pepperdine in August after "wrestling with concerns" expressed by people inside and outside his office, said John Bates, his deputy.

"Part of what influenced him," Mr. Bates said, "was being told that as a former federal judge and solicitor general, he was needed because he brought stature to the investigation that no one else had and it would help in several ways, including dealing with the courts."

While praising Mr. Starr's decision to remain as independent counsel, some sources expressed concern that the episode last week could unnerve some of the witnesses in the Whitewater investigation, especially those who have been offered immunity from prosecution or leniency in return for their cooperation.

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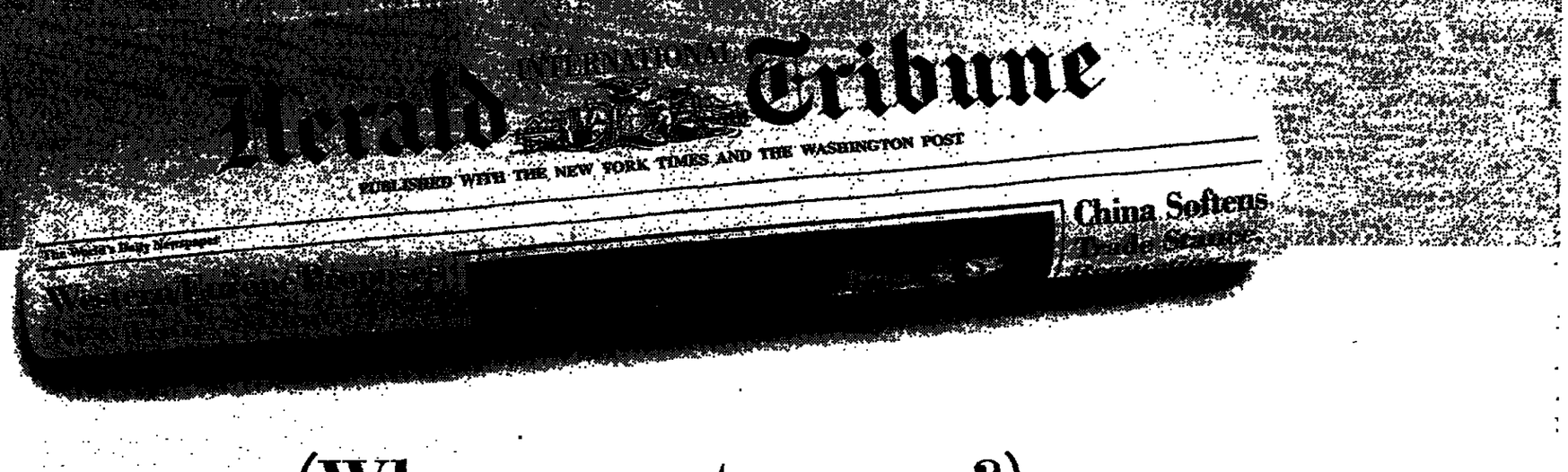
'Who's Who in Europe Survey' 1996



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Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Compromise on Cuba

In their confrontation over trade with Cuba, the European Union and the United States haven't managed to wreck the World Trade Organization — not yet. But they are certainly putting it at risk. The harm they would cause by overburdening the evolving and still fragile system of open global trade would immeasurably outweigh any political advantage either side imagines it might reap. The two sides should reach a compromise while there's still time.

This is a case in which neither side has a lot to be proud of.

In what is becoming a familiar pattern, President Bill Clinton last year signed, for political reasons, a bad bill that he had earlier opposed. Then he started looking for ways to mitigate its least savory aspects. The bill, known as the Helms-Burton Act, seeks to inhibit third-country investment in Cuba — where U.S. economic activity has long been banned — by punishing foreign companies that make use of expropriated U.S. property. In a novel legal twist, the act includes not only property that belonged to Americans when Fidel Castro took over, but also property belonging to Cubans who have become U.S. citizens during the intervening decades. Canadian and European companies can be sued in U.S. courts; their executives must be barred from entering the United States.

Allied nations howled at this effort to impose U.S. policy on them. Mr. Clinton dispatched an envoy, Stuart E. Eizenstat, to find a way out. When Mr. Eizenstat won face-saving pledges from European nations to work toward democracy in Cuba, Mr. Clinton suspended the most onerous section of the bill — the right to file suit in U.S. courts. Some countries also passed blocking legislation, allowing countersuits in their own courts — a legitimate response.

The European Union nonetheless recklessly carried out its threat to bring its complaint to the World Trade Organization. This can lead to no good. If the WTO finds for Europe, it will undermine U.S. support for global trading rules. If the United States boycotts the procedure, or invokes a national-security exemption (as is allowed under law), it will undermine the universality of trade law that acts, in general, in the interest of U.S. firms. The United States deliberately refrained from taking such a step, in order to allow more time for compromise.

Europeans and Canadians may find laughable U.S. claims that its national security is at risk. But if Cuba is not a credible military threat, it is also true that this dispute is not a traditional trade argument in any sense; the United States is not protecting any domestic commercial interest. Politicians on both sides feel wronged and virtuous. If they do not rise above those feelings, and find some solution that preserves the WTO, both parties could be paying a price long after Helms-Burton is forgotten.

— THE WASHINGTON POST.

Kill the Amendment

The balanced budget amendment appears to be losing ground in Congress. That's welcome news if true; the amendment remains a terrible idea. It would trivialize the constitution by converting it to a chess piece in the annual budget battle, but it wouldn't produce a balanced budget. Rather, it simply would require three-fifths votes of both houses to pass an unbalanced one. The main effect would be not to strengthen fiscal policy but to enshrine minority rule.

The amendment has become a kind of taunt in political campaigns.

You're either for it, or you're opposed to fiscal responsibility; that's the bumper sticker, or the 30-second TV spot. Opponents have felt the need for what you might call a counter-sticker that would let them vote against an amendment without exposing themselves to charges that all they want to do is tax and/or "borrow and spend." Social Security has been their salvation.

They don't want to jeopardize benefits; if only the great retirement program could be taken out of the budget and spared the ax, they'd be happy to vote for the amendment, they say. They've converted a no vote into a vote for the elderly.

Amendment supporters say that's phony, and in a sense, it is, though perhaps no less so than the amendment itself. Right now Social Security is running a surplus; the annual taxes collected in its name are greater than annual costs. Decide not to count it as part of the budget, even though it is part, and the resulting deficit will be larger than either party is prepared to deal with.

And not that many years from now, of course, the opposite will be true. The baby boomers will begin to retire, the Social Security surplus will become a deficit, and by failing to count it the deficit's true size will be masked. Neither of these is the right thing to do; nor is it right to imply that Social Security is so different from other government programs that it — or its beneficiaries — deserve to be exempt from the strictures that all the rest face.

But perhaps there is another sense in which the Social Security ploy is not so phony. If you think of Social Security spending as a kind of proxy for much of the other spending that the amendment also could affect, it becomes fair to invoke it. The United States is about to enter a lengthy period when, for demographic reasons, a balanced budget will be neither possible nor desirable. When the boomers move from the work force to the benefit rolls, the government will have no choice but to borrow heavily to help sustain them — and so it should. One of the principal arguments for reducing the deficit today is to minimize the debt that will have to be increased tomorrow. The amendment represents a kind of lie to the public about this future, which it would vastly complicate.

The right thing to do is not to put an empty promissory note in the constitution. Rather, it's to begin now to confront the long-term costs, including the cost of Social Security, that are the problem. There is no way to make them go away entirely, nor should Congress try. The increase in the standard of living of the elderly over the past 25 years particularly has been one of the great social accomplishments of the century; no one can want to abandon it. But the cost can be eased.

Our quarrel with the present efforts to stretch and tug to achieve a tenuously balanced budget by the year 2002 is that, for the usual political reasons, they systematically avoid almost all the structural changes that would be necessary to achieve such an easing. In that sense they balance the budget on paper only. But paper is better than the parchment of the constitution. We say again: It will be welcome news if, for whatever reason, this amendment dies.

— THE WASHINGTON POST.

The Good-Time Guys

Many politicians say they detest Washington's big money game, and some actually mean it. But unfortunately, some of the nation's top lawmakers seem addicted to the power of fat war chests and the chance to socialize with rich and famous people in glamorous settings. The cause of reform suffered a hit last week when Senator Trent Lott, the new Senate majority leader, came out forcefully as a defender of the Beltway influence-for-money game.

While Senator Lott was defending the rights of rich donors at a Florida resort, President Bill Clinton was tying up traffic in New York City so he could appear at an exclusive dinner on the Upper East Side. The event netted more than $1 million, including big chunks of the kind of soft money that would be outlawed by the campaign finance bill Mr. Clinton has endorsed.

The Republicans, meanwhile, are also determined not to let the biggest campaign-financing scandal since Watergate interfere with their good times. Unmoved by pleas that he use his new power to give the nation a fresh start toward clean politics, Mr. Lott flew to Palm Beach to socialize with 200 of his party's top donors. Asked about calls to change the way candidates raise money, he defended unlimited soft-money donations as "the American way."

At least we learned that a sense of irony is not going to be one of Mr. Lott's signature traits. Otherwise he would not have chosen to denounce the worthy remedy of public financing of elections as "food stamps for politicians" while enjoying a corporate-financed getaway.

— THE NEW YORK TIMES.

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What Is Globalization's Fatal Flaw? Oversupply

By William Greider

WASHINGTON — The globalizing economy leads to the convergence of distant peoples in ways that sometimes seem like a cruel joke.

German workers, facing 12.2 percent unemployment, are told they must emulate the Americans. If you want jobs, give up labor-market protections and become more "flexible" on wages.

Yet, a decade ago, when hundreds of U.S. factories were being closed by global competition, American industrial workers were told to be more like the Germans. Get more training, work harder, more cooperatively. Many Americans have done so, but this has not stanched the steady erosion of U.S. wage levels.

One season it's Americans who are portrayed as fat and lazy. The next season it's the Germans. The fact is, German and American industrial workers suffer from the same handicap — they earn too much money by world standards. The global system intends to correct that problem for them.

In Stuttgart, the works council chairman at Alcatel Alsthom introduced me to the German phrase *schraube nach unten*. "It's like the thread of a screw that turns downward — a constant downward path," said Alois Suss. "They use the plant in Slovakia to persuade Germans to accept less. We are often told, if things don't improve, they will move all of this to India."

No one calls Japanese workers fat and lazy, but they too have felt the squeeze. They call it *kudoka*, "hollowing out." Japanese firms have also defensively off-loaded manufacturing jobs to low-wage economies. Sony, the symbol of Japanese excellence, expects to have a majority of its work force overseas. Just like IBM.

The boosters of globalization invoke the sweet logic of "comparative advantage" to explain these developments and insist that everyone wins eventually. A growing army of discontented citizens in the advanced economies, dispossessed or insecure, no longer believes this. I happen to think they are right.

The dispersal of the industrial base and the downward harmonization of wage levels is not driven by disinterested principles of efficiency, but by fear — the fear multinational managers experience when they look across the emerging landscape of global production. One may demonize those firms and accuse their CEOs of greed or disloyalty, but that does not explain much.

The same storm is upon everyone (and no one is likely to escape at the expense of others). Many layers of complexity are involved, but the core element is this: an accumulating crisis of surpluses in the global marketplace.

The surplus of labor is obvious: too many workers worldwide bidding for scarce jobs. But the growing surplus of productive capacity — too many factories chasing too few buyers — is more ominous, since it ensures more major job losses ahead.

These and other vulnerabilities are building up in the global economy and they are systemic, not national or regional. If nothing fundamental changes, they threaten to bring down the entire system.

The perverse paradox is that the problems of surplus cannot be resolved by the actions of the globalizing firms. Indeed, the very strategies pursued by successful multinationals to stay ahead of the chase promise to make things worse for the system as a whole.

The global auto industry provides a relatively simple example. Scores of factories have been closed during the last 20 years, production processes have been made more efficient, new joint ventures have opened in the so-called emerging markets where consumer demand is growing. Yet the industry has not come into closer balance. It has dug deeper in the same hole.

Too many workers are chasing too few jobs; too many factories are chasing too few buyers.

An American auto company shared its internal estimates with me: The global industry will be able to produce about 79 million vehicles in the year 2000 for a market of buyers that won't exceed 58 million vehicles. Thus, the demand gap is larger than the North American car market, yet new producers are entering the chase. That means someone somewhere will have to close a lot more factories. Similar conditions confront aircraft, steel, consumer electronics and many other sectors.

But if this is true, why are companies rushing to build so many new factories elsewhere in the world? Because they figure they don't have much choice. To stay in the race, they create more output abroad to replace high-wage workers with cheaper ones or to gain entry to the hot markets of new buyers. These exchanges erode consumption while expanding output.

The notion that China and other developing economies will solve the global surplus problem with their growing ranks of new consumers is fanciful. It ignores the fact that China intends to become a major exporter itself. As that occurs in the years ahead, another nightmarish wave of deindustrialization will ripple across industrial economies. Chinese machinists earn about $50 a month. Their new spending cannot possibly make up for what was lost in Seattle or Toulouse or Nagoya.

The good news, if one can call it that, is that the global system can be rescued from its own contradictions if leading nations act purposefully to attack the real problem — inadequate demand. That means, among other things, policy shifts to faster growth and the enforcement of labor rights in the global system to bring the bottom up more rapidly. Labor's demands for a social clause in trade agreements are often dismissed as "moral protectionism," but this could help save the system — global consumption would be boosted if workers were free to win more equitable wages.

The bad news, of course, is that most governing elites don't see the crisis yet. They are devoted to the dictates of laissez-faire capitalism, just as governments were in the early 20th century, when similar market imbalances built up. We know how that era ended.

The writer is the author most recently of "One World, Ready or Not: The Manic Logic of Global Capitalism." He contributed this comment to the International Herald Tribune.

Russia Should Quit Carping and Focus on Its Future Role

By Fred Hiatt

WASHINGTON — Only Russians can kill Russian reform, just as only Russians can build Russian democracy. This is worth keeping in mind as Moscow's elites ratchet up their campaign against NATO expansion, claiming that it — and not the elites themselves — would be responsible for a failure of Russia's experiment in liberalism.

Russians wonder, in tones of injured surprise, why the nations of Eastern and Central Europe would want to join NATO's defensive alliance. Their puzzlement is either insincere or remarkably insensitive to history. Fifty years after World War II, neighboring countries still regard Japan and Germany with varying levels of caution, suspicion and resentment — even though those former aggressors have established themselves during the past half century as peaceful almost to a fault. Russian tanks, by contrast, rumbled out of Poland and Hungary less than a decade ago — no time at all in historical terms.

After World War II, moreover, U.S. victors purged the leaders of both defeated powers, imposing a new constitution in Japan and partially de-Nazifying Germany. Russia on the other hand may have lost the Cold War, but it has undergone no purge. President Boris Yeltsin has apologized for the misdeeds of Soviet occupiers, but there is no consensus in Moscow that the Soviet Union acted badly. The leader of Russia's parliamentary opposition, Communist Party chief Gennadi Zyuganov, still holds up that evil-empire-builder, Vladimir Lenin, as a hero.

It is Russia, in other words, and not the West, that has yet to decide what role it should play in Europe and the world. Much of the younger generation wants Russia to evolve as a "normal country" — a peaceful, prospering nation where they can make money and get on with their lives and not bother anyone else. But others, including many now in power, still mourn the demise of great-power status and look to traditional means of expansion and bullying to recapture it.

Russia's neighbors know this better than anyone else. Estonia, once again independent after 50 years inside the Soviet Union, has no territorial disputes with its giant neighbor, yet Russia refuses to sign a border treaty. The message: We don't accept you as a separate country. The same holds true in Ukraine.

When NATO's secretary-general recently visited a few former Soviet republics, including Georgia and Moldova, Russia's Foreign Ministry protested heatedly, as if those nations should still meet the world only through Moscow.

This doesn't mean, as some Russophobes in Washington would have it, that Russia is genetically or geographically destined to resume its imperialist ways. It means, rather, that the debate is unresolved, that peaceful and expansionist mind-sets coexist, that there is — not surprisingly, given the upheavals of recent years — considerable confusion in Russia about how the country should define itself.

Russian leaders point to this continuing debate as a reason for the West to go easy on them. In a recent interview with The Post's Jim Hoagland and David Hoffman *(IHT, Feb. 4)*, for example, Prime Minister Viktor Chernomyrdin acknowledged that Poland's joining NATO wouldn't really threaten Russia. But Russian nationalists would attack the government for letting it happen, he said; he would have to build up the army in response to their attacks; economic reform would be undermined.

Mr. Chernomyrdin is right in one sense: The debate in Moscow has little to do with NATO and a lot to do with Russia's choosing its own direction. Before NATO expansion came along, the nationalists had other issues — U.S. oil companies' plot to turn Russia into a "raw-materials colony of the West," for example, or the West's conspiracy against Russia's Slavic brothers in Serbia — and after the NATO issue subsides they will find others.

Just as in China, if the West bases its policy on appeasing and mollifying the nationalist forces, those forces will only be strengthened. If Russian leaders win concessions by raising the nationalist specter, then naturally they will keep on doing so; they will feed that monster rather than seek to tame it. The West is right to reassure Russia that NATO is not an enemy, right to reshape NATO's mission and right to offer Moscow a relationship that will draw it in rather than push it away. But it does Russia no favor to suggest that it can veto the actions of any independent country, no matter how small.

The democrats in Russia already know this. They know that their best chance to regain influence in Eastern Europe or anywhere else is to democratize, open their economy and grow. Much of the fulminating now — the threats to redeploy nuclear weapons, to form new military alliances and so on — represents negotiating tactics. The danger is that Russia, with its weakened chief executive, won't be able to pull back from those threats to accept a bargain that could serve its interests as well as the West's. The West can help by offering a fair deal while refusing to pander. In the end, though, Russia will have to choose.

The Washington Post.

The Old Elite Still Dreams of Empire

THE HUMILIATION or isolation of Russia would not serve the interests of its neighbors and certainly is not a goal of those seeking to join NATO.

There are no hostile feelings toward the Russian people in today's Poland. It is not the Russian people but the ruling elite that cannot reconcile itself to the loss of empire.

Moscow is opposed not to the expansion of NATO but to the very existence of NATO; it rightly sees a defensive military alliance as a threat to its ambitions to one day rebuild its empire.

Obviously such dreams relate only to a distant future. They do not pose any imminent danger. Unfortunately, they do shape Russian policy today.

The admission of the former Soviet satellite states into the North Atlantic Treaty Organization would make these long-term Russian ambitions unrealistic. Rather, NATO enlargement could prompt Russia to accept the present borders of its influence as final. Such a change in mind-set could open a new chapter of friendly cooperation between Russia and its neighbors.

Above all, the enlargement of NATO — by blocking other options — would encourage Russia to concentrate its resources on internal recovery and on improving the desperately low quality of life of its long-suffering populace.

— Jan Nowak, an emissary for the Polish resistance in World War II and a director of Radio Free Europe's Polish Service, commenting in The Washington Post.

In China, the Interregnum Won't Necessarily Be Peaceful

By William Pfaff

PARIS — The future of China is commonly described as politically unsure, with economic development the remedy (on the simplistic assumption that markets create democracy). More likely is that China's troubles in the future will be economic, with political upheaval the result.

The dynasty created by Mao Zedong is near its end. What is to replace the reign of peasant communism remains unknown. It is premature, and rash, to think that it will be democracy.

The Communist revolution arrived at its inevitable Thermidor when Deng Xiaoping took supreme power, even if he had himself been implicated in the ideological turmoil and savagery of the "Great Leap Forward," and had crushed the Tiananmen Square democracy movement in 1989.

The ideological relaxation and command capitalism for which he was responsible brought corruption with them, including corruption of the Communist Party itself. The "third generation" — which by now means the sons and daughters of Party privilege — enriched itself at the expense of the state.

This has been tolerated by a new middle class, a nascent democratic civil society, itself prospering from the new Chinese economy and the post-1978 opening to the world. The economic transformation that benefits these ruling classes — to use a term no doubt inconvenient in today's China — has been spectacular, and is what foreign visitors and investors see, rightly impressing them.

However, the distance between China's new classes and the Chinese masses is equally spectacular. More than 130 million peasants alone have been jobless since the decollectivization of agriculture. That figure is more than half the total population of the United States.

China's Labor Ministry forecasts 267 million unemployed by the year 2000 — a figure greater than the total U.S. population. China's own estimated population is, of course, 1.2 billion, but this still means that projected unemployment will affect something like a fifth of all China's people, and this translates into a vastly larger percentage of the active population.

The distance between the new classes and the masses is huge.

The new, prosperous China is still only the facade of eternal China. Thirty miles from the booming cities are villages that one reaches only on foot or by cart, where living standards are often worse than under communism. Agricultural discontent is a significant threat to the government. A majority of peasants believe that the new rich gained their wealth through corruption. There have been armed clashes between peasants and local authorities.

Workers themselves, told for a half-century that they were the rulers of Maoist China, today too often find themselves abandoned, paying for the prosperity of the new classes, the new entrepreneurs and foreign investors concerned only with repatriating profits made from cheap Chinese labor.

Regional conflict is also a reality. Since 1994 the Communist Party's Central Committee has been urging local authorities not to resist the policies of the central government and to "put the national interest ahead of their own" — evidence, of course, that the opposite has been happening.

The Party itself admits that many local Party organizations are paralyzed or have lost respect and authority. The new government faces a tangible risk of anarchical breakdown. Mr. Deng's creation of Special Economic Zones, become rich enclaves of foreign investment, greatly contributed to regional tensions.

Breakdown is what the Chinese most fear, a degeneration of central authority and reawakening of forces that in the past have plunged China into national disorder and internal conflict.

The Western capitals, and Washington in particular, make heavy weather of human rights violations in China, but Mr. Deng, after crushing the Tiananmen demonstrations, brutally remarked that "the flies will come back" to the honeypot, and he was right.

Outside opinions and pressures in any case have little chance of changing China's sovereign treatment of its own people. As in the Soviet Union, that kind of change comes only from a conversion of opinion among the elites themselves. China's dissidents are testament to a moral evolution in political society, but also evidence that basic change is distant. China fears disorder. This fear will be intensified as the inevitable succession struggle develops.

A commentary recently published by the Academy of Social Sciences in Beijing observed that in China's history, "when struggles for power begin, the dynasty disappears."

The Ching dynasty lasted a little more than two and a half centuries, but by the early 19th century it was decisively weakened by internal struggle and unable to resist European demands and interference. Four decades of struggle followed its collapse in 1912.

The succeeding Red dynasty has lasted for a half-century. The dynastic interregnum now has begun. These rarely have been peaceful.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Treaty on Korea

ST. PETERSBURG — The Official Messenger to-day [Feb. 24] publishes the text of a treaty concluded between Russia and Japan on the subject of Korea. Korea retains full liberty of action in home and foreign policy. Russia and Japan declare their support of the King of Korea in assuring order. This end can only be secured by a force of native troops and police. The treaty declares that its object is to remove foreign troops from Korea.

1922: A Tobacco Ban?

NEW YORK — Enthused by their success in national liquor prohibition, radical reformers have concentrated their efforts on a nation-wide campaign to ban tobacco. The movement will take form with an observation of "No Tobacco Day" on March 23 throughout Arkansas. The Governor of Arkansas, Thomas McRae, has called public attention to the great strides made by the anti-tobacco faction in their campaign to secure a 20th amendment to the Constitution, prohibiting tobacco use.

1947: German PWs

PARIS — France has asked the United States to agree to a delay in the release of some 440,000 German prisoners of war loaned to the French for reconstruction work, the Foreign Ministry announced yesterday [Feb. 24]. In a note sent to Washington, the French requested permission to keep the prisoners until 1948. This move is part of a desperate drive to retain enough manpower in the country to carry out the Monnet Reconstruction Plan, which presupposed the use of German prisoners when it was drawn up. The Quai d'Orsay estimates that PW miners are now responsible for 25 per cent of the nation's coal production.

OPINION/LETTERS

A Chorus of Discord Over Sex Harassment

By Ellen Goodman

BOSTON — Let's take this *once again from the top.* Maestro, if you please.

Some weeks ago, in a column on the Paula Jones suit, I added one little musical phrase suggesting that even Mrs. Jones's version of her encounter with Bill Clinton, governor of Arkansas, did not rise to the legal level of sexual harassment.

This struck a chord — a dissonant chord — with an entire glee club of readers, including some who said they were usually in harmony with my views. They responded by all available mails — electronic, voice and snail — but they were generally playing one note.

How is it possible, they asked, that even *her* description of what happened wasn't sexual harassment? If dropping your trousers and requesting someone to kiss your private parts isn't sexual harassment, what on earth is?

It turns out that people have the same view of sexual harassment that Justice Potter Stewart had of pornography: "I know it when I see it." But, then again, maybe you don't, even when it has distinguishing characteristics.

There's a whole lot of confusion about what is and isn't sexual harassment, on the part of a commander in chief or a drill sergeant, in a hotel room or at The Citadel military college.

Allow me to play it again, Sam et al. Sexual harassment is a form of discrimination. It's the sex part in sex discrimination, and it's against federal law in two contexts: in educational settings and in the workplace.

In the workplace sexual harassment is defined as "unwelcome sexual conduct." That can be anything from pressure for sex to leering. It can entail a specific job threat or the creation of a hostile environment.

But the operative word here is "unwelcome." As Judith Lichtman of the Women's Legal Defense Fund admits wryly, "that implies that people get one free pass — how else do you know it's unwelcome?"

After all, "welcome" sexual conduct isn't harassment. The law puts the burden on the receiver to draw the line. And Paula Jones — again, in her own version — did that. She said no, at which point she says he said, "Well, I don't want to make you do anything you don't want to do."

Harassment? I don't think so. Even if you believe every word, even if you regard the governor as her boss — a stretch — and even if you define this scene, a hotel room, as a workplace — another stretch — it never happened again. Nor was her job threatened.

I know there are some new melodies being played in the sexual harassment song. Recently, the highest court in Massachusetts ruled that sexual bantering and badgering by a heterosexual male boss created a hostile environment for his heterosexual male employees.

But even in the litigious United States, there are still wrongs for which there are no legal remedies. Not every piece of piggish behavior is illegal. You can feel humiliated without being legally sexually harassed.

Now allow me to change the background music to John Philip Sousa.

In public and on TV, the truly horrifying tale of two women who integrated The Citadel is also being casually described as "sexual harassment."

But so far there appears to have been no explicit sexual content in their grotesque abuse. The story has less in common with other sexual harassment cases than with another hazing scandal, the pounding of medals into the bare chests of paratroopers. Setting someone's clothes on fire sounds like plain old assault to me.

How odd that the term sexual harassment is being expanded to maximize accusations against the commander in chief. But it's also being used to minimize reports of assault at The Citadel or, more widely, in the army scandals in which officers are accused of attacking women who were their subordinates.

The laws defining sexual harassment in the military are pretty much the same as in any civilian workplace, with the added wrinkle that the military bans "fraternization" between superiors and inferiors of either sex. In the scandal that hit the army and keeps growing, there's been a tendency to mush together rape, harassment and fraternization into some generic "sexual misconduct" or even a misguided dating game.

At recent Senate hearings on the issue, Nancy Duff Campbell of the National Women's Law Center said, "They were trying to make light of serious charges and say 'hormones will be hormones.'"

Sexual harassment laws are still new and often misunderstood. On the whole, I'm more worried about the charges that are doubted than those that are doubtful.

But let me return to the brief refrain: What's lurid is not necessarily illegal. In the case of the president and Paula I'll stick to my theme song: "It Ain't Necessarily So."

The Boston Globe.

The Very Small Big Guy And His Life's Lessons

By Tony Kornheiser

WASHINGTON — Let us today reflect solemnly upon the death of Deng Xiaoping. All lives are significant, and all deaths diminish us. But Deng Xiaoping was the leader of a quarter of the world's population, a man of enormous power and influence.

MEANWHILE

And so from his death — and from his life — we can learn many, many important lessons. Such as:

Smoking is O.K.

Look, he lived to be 92. And in every photograph I've seen of him, Deng Xiaoping is smoking a cigarette. Plus, it's no sissy cigarette. It's, like, an unfiltered Pall Mall. Brown & Williamson should come up with a new character to compete with Joe Camel. It should be a waddling guy in a Mao suit named Joe Ping.

What a guy Deng Xiaoping was. Every day of his life he smoked cigarettes and ate Chinese food. I do that and they call me a slacker. He does that, and they plaster his obituary all over the front page. (Honestly, weren't the encomiums delivered by world leaders just a little over the top? This was a guy who used a steamroller for crowd control.)

Another important lesson we learn is that size doesn't matter. Have you seen pictures of Deng Xiaoping standing next to other dignitaries? He looks like Snow White's dwarf Grumpy, or maybe Bashful. Articles from the 1970s report that he was "barely 5 feet tall" (*about 1.5 meters*). And that was when he was still robust. At death, he couldn't have been more than 4 feet 2. Nobody is sure exactly how tall Deng Xiaoping was, but let me put it this way: If he goes to Disneyland, HE CAN'T RIDE!

(Excuse me, Tony, but we're talking about a world leader of epic significance. And all you can do is make half-witted jokes about his name and physical features. You, a fat, bald stooge named Anthony Irwin Kornheiser.)

To me, the most amazing fact in all the stories I read about Deng Xiaoping was that although he was the Maximum Leader of all of China, he hadn't been seen in public in three years. How is it possible that a political leader could disappear like that? Come to think of it, maybe it was like Washington's own fabulous Mayor Marion Barry's well-publicized hiatus: He was, uh, away.

Deng Xiaoping was famous for modernizing China, opening it to the West, but modernization is relative. I was in China once, after the Seoul Olympics in 1988. (I climbed the Great Wall. My heart was beating like a rabbit's when I got to the top. The steps are very, very steep, sometimes as tall as, well, Mr. Deng!)

At that time Beijing was being hailed as a progressive, modern city, a city that was considered as important to the world as Moscow and Washington. But you saw donkey carts in the streets of Beijing. In the countryside it was the 12th century. I saw large white chickens roosting in trees. (Perhaps hiding from General Tsao.)

So, on this solemn occasion, we must all reach within ourselves and ask, what is the legacy of this great man? On the one hand, he was a ruthless oppressor of a billion souls. On the other hand, he *made China safe for Jiffy Lube* and McDonald's Happy Meals.

The most enduring image of Deng Xiaoping's political tenure, of course, is that indelible photograph of an anonymous young man standing in the middle of a boulevard, defiantly, in front of a phalanx of tanks, bringing them to a standstill.

Around the world it was interpreted as a symbol of the indomitable human spirit, courage in the face of overwhelming totalitarian power. And it was. But I don't remember what happened to that guy. He's probably hanging by his thumbs in some remote province, being fed Taco Bell Mexi-Melts.

You know why Deng Xiaoping's death has inspired so much commentary on radio and television, don't you? It's because of his comical name. In print it doesn't look funny. But the TV and radio announcers love to say it, straight-faced:

"Mister Dung."

That is so cool. It is like saying a naughty word and getting away with it. Imagine how much fun the TV guys would have if the president of the United States were named Rutherford B. Dewdie?

The Washington Post.

LETTERS TO THE EDITOR

The Price of Corruption

Regarding "Western Economic Nostrums Are Not What Japan Needs" (Opinion, Feb. 5) by Gregory Clark:

Mr. Clark writes: "Most waste and corruption simply results in the transfer of funds from the honest to the dishonest. The resources do not disappear."

That is a serious misrepresentation. Waste and corruption channel resources away from their most (or even near most) productive use to often totally unproductive activities. True, the resources have not disappeared, but the benefits from those resources do disappear or are sharply reduced. Moreover, corruption nearly always transfers income from the poorer segment of society to the richer.

If the idea that corruption is no more than a benign transfer of resources were to become accepted wisdom, it would further damage countries where corruption is already a serious problem.

JOSEPH J. STERN.
Jakarta.

Where Masterpieces Go

"Saving Britain's most precious pictures has far to go," writes Souren Melikian *("Britain's Imperiled Heritage," Art, Jan. 11)* about art that has been sold to foreigners. But if those paintings had never been allowed to cross frontiers, most of the "losses" Mr. Melikian laments would never have come to Britain in the first place.

JOHN GRIMOND.
London.

Britain and Hong Kong

The outrage of the British government at the impending repeal by Beijing of Hong Kong laws on human rights, and at the support of this by the territory's leader-to-be, Tung Chee-Hwa *("New Leader Supports Cut in Rights for Hong Kong," Jan. 24)*, might have been convincing had those laws been promulgated earlier.

It would have been even more impressive had the assembly itself that passed them been constituted much earlier in the colony's history, and for truly democratic reasons, instead of as a futile attempt to embarrass the Chinese. I certainly do not approve the Chinese attitude, but that of the British is pure humbug.

C.R.B. JOYCE.
Dublin.

BOOKS

CARY GRANT: A Class Apart

By Graham McCann. 346 pages. $24.95. Columbia University Press.

Reviewed by Jonathan Yardley

GRAHAM McCann gets to the essential point right off the bat. "Cary Grant was an excellent idea," he writes in the opening paragraph of this admirable biography. "He did not exist, so someone had to invent him."

The man who did was named Archie Leach, born in the English city of Bristol in 1904. Cary Grant was born 27 years later, when Leach signed with Paramount and permitted his name to be changed. He so liked this name and the persona that came with it "that he devoted the rest of his life to its refinement." Small wonder.

Cary Grant "was that most unexpected but attractive of contradictions: a democratic symbol of gentlemanly grace. No other man seemed so classless and self-assured, as happy with the world of music-hall as with the haute monde, as adept at polite restraint as at acrobatic pratfalls. No other man was equally at ease with the romantic and with the comic. No other man seemed sufficiently secure in himself and his abilities to toy with his own dignity without ever losing it. No other man aged so well and with such fine style. No other man, in short, played the part so well: Cary Grant made men seem like a good idea. As one of the women in his movies said to him: 'Do you know what's wrong with you? Nothing!'"

All of which is entirely true, and all of which raises, for McCann as for everyone else who has attempted to come to grips with the phenomenon of Cary Grant, a perhaps unanswerable question: Where did Archie Leach end and Cary Grant begin? Put another way: Who, really, was Cary Grant?

Innumerable stabs have been made at these tantalizing mysteries, in newspaper and magazine articles during Grant's long life — he died in 1986, at the age of 82, vigorous almost to the end — and in various biographies published in the past decade.

McCann, who teaches at Cambridge University and has written often about film personalities, comes closer to giving Grant the ride he deserves than anyone else to date. Such tabloid fodder as is to be found in Grant's story he treats forthrightly but in brief: He finds no evidence that Grant was homosexual, closeted or otherwise; he believes that Grant's difficulties with women — he had five wives — arose not from any sexual incompatibility but from his "perfectionism, his endless lectures on dress sense, hair color, correct pronunciation and table manners"; and he has no doubt that fatherhood, which did not come to Grant until he was 62, was the great joy of his private life.

It is on Grant the movie star, "the last romantic hero," that McCann properly focuses his attention. He gives Grant high marks for professionalism and hard work: "Underneath that suave manner and sophisticated style," Gregory Peck said, "he was dyed-in-the-wool, grassroots, down-to-earth show business." McCann is also good on Grant's films. He admires, as well he should, the early comedies that may be his greatest achievement, but he is equally enthusiastic about Grant's ability to remake himself into that "last romantic hero" of the later movies, the Hitchcock movies most particularly. If anything, Grant's humanity and romantic allure intensified as he grew older. Though he quit making movies when he was in his mid-60s, he retained his power to beguile and bewitch — and to amuse, too — right to the end.

He seems to have been a number of different people. The Archie Leach side of him never lost sight of his roots and always kept the Cary Grant side firmly based in reality. He often played absentminded, otherworldly fellows and no doubt had this side to himself as well.

But not merely was he thoroughly professional as an actor, he was a hard-boiled businessman who protected and advanced his interests with unshakable resolve. Though in some sense he probably was always acting, he convinced most of those who knew him well that he was the genuine article: a decent, thoughtful man.

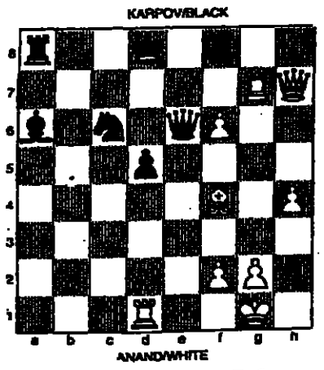
As McCann points out in his conclusion, Cary Grant bore little resemblance to the movie stars of today, whose "brash and boorish self-absorption stands in stark and sour contrast to his charming civility." Sic transit gloria mundi.

Jonathan Yardley is on the staff of The Washington Post.

CHESS

By Robert Byrne

ALEXANDER Alekhine was noted for starting an attack on one flank, then unexpectedly shifting to the other with spectacular results. Despite his brilliant successes, there were players who theorized that this strategem should not work. But his supporters noted that the escape of the first target of attack was often bought at the price of leaving the new target underdefended and weak.



Position after 34 . . . Ba6

A beautiful example of this attacking style was provided by Viswanathan Anand in his seventh-round defeat of Anatoli Karpov in the Las Palmas International Tournament.

In the Queen's Gambit Accepted, the order of moves through 4...b5 , feints retaining the offered pawn, but after 5 a4 c6 6 ab cb 7 b3 Bb7 8 bc Be4, Black returns it. Thus, he shows that his underlying, practical plan is to leave White with an isolated pawn and to gain unobstructed development for himself.

After 13 Ne5, however, it was not easy for Karpov to mobilize further: 13...Nbd7 lets Anand play the very strong 14 Nc6! Accordingly, Karpov aimed to dissolve the queenside pawns with 13...a6, but Anand kept up his pressure with 14 Bf3!, again threatening 15 Nc6!

On 15 Nd5, Karpov might have tried 15...Bd5, but after 16 Bf4 Qb6 17 Bd5 ed 18 Qa4, he would still not have his rooks and knight in play.

With 17...ab 18 Rb5 Qc7, Karpov got rid of the queenside pawns, yet after 19 Bf4 Bd6 20 Bd3, Anand threatened 21 Bh7! Karpov's 20...Ba6 was an attempt to sacrifice his d5 pawn to exchange several pieces and perhaps draw an endgame, but Anand triggered a powerful mating attack with 21 Bh7!

After 21...Kh7 22 Qh5 Kg8 23 Rb3!, Karpov might have tried 23...f6, but 24 Rc1 Bc4 25 Rh3 fe 26 de! Rf4 27 e6! Kf8 28 Qh8 Ke7 29 Qg7 Ke6 30 Rh6 Kf5 31 Qf6 Ke4 32 f3 Ke3 33 Qc3 Bd3 leads to 34 Re1 mate.

On Anand's 27 Rg3!, Karpov could not rely on 27...Rg8 because 28 Qg6 Kf8 29 ef Qf6 30 Bd6 decides the struggle.

After 29 ef, Karpov could not play 29...Rf6 because 30 Bg5 Nd7 31 Bf6 Qf6 32 Re1 wins outright.

After 34...Ba6, Anand's switch to attacking the enemy king from the other side with 35 Qb1! nearly ended the conflict. After 35...Rf6 36 Bg5, Karpov got out of the pin with 36...Kc8, but seeing that 37 Qb6 Qd6 38 Bf6 leaves him with no useful move, he gave up.

QUEEN'S GAMBIT ACCEPTED

White Anand	Black Karpov	White Anand	Black Karpov
1 Nf3	d5	20 Bd3	Ba6
2 d4	e6	21 Bh7	Kh7
3 c4	dc	22 Qh5	Kg8
4 e4	b5	23 Rb3	Re5
5 a4	c6	24 Rh3	f6
6 ab	cb	25 de	Qe7
7 b3	Bb7	26 Qh7	Kf7
8 bc	Be4	27 Rg3	Ke8
9 cb	Nf6	28 Rg7	Qe6
10 Be2	Be7	29 ef	Nc5
11 0-0	0-0	30 Ra1	Kd8
12 Nc3	Bb7	31 h4	Bb7
13 Ne5	a6	32 Rc1	Ba6
14 Bf3	Nd5	33 Ra1	Bb7
15 Nd5	ed	34 Rd1	Ba6
16 Rb1	Qb6	35 Qb1	Rf6
17 Be2	ab	36 Bg5	Kc8 and Resigns
18 Rb5	Qc7		
19 Bf4	Bd6		

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TUESDAY, FEBRUARY 25, 1997
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Style

TOMORROW: STAGE

Cool Epicenter For the 1990s: London, W11

Mixing and Matching For Home and Fashion

By Suzy Menkes
International Herald Tribune

LONDON — "John Galliano came back to look at it three times," says the antique dealer Adam Bray, holding up a multibeaded Masai breastplate. "Donna Karan has bought these African sculptures to inspire her home line. And Christian Lacroix was crazy about this mirror."

And he isn't joking.

For this West London area, near the Portobello market, has become the epicenter of 1990s shopping for what is original and eclectic. It is a magnet for twentysomethings who want cool things for new homes and for young designers who can set up shop away from the high-rent city center. The intermingling of housewares and fashion, of antique, modern and ethnic also corresponds to the current aesthetic: that 1990s style is all in the mix.

Take Ledbury Road, W11. Opposite Bray's shop window of Nigerian pottery displayed with Swedish ceramics on a turn-of-the-century French table, is Oguri (at No. 64), where a 1960s coat is shown with a beaded African wedding skirt. The store offers vintage clothing (think clean-cut Balenciaga and Courreges) alongside tribal jewelry (massive Masai earrings) and the Japanese designer Sosuke Oguri's own-label menswear.

Bray (at No. 63) says that melding disparate pieces reflects a generational change in a much-traveled clientele.

"People don't want to come back to chintz and mahogany," he says. "They understand Zulu pots with Art Nouveau. And in the 1990s, they also want to have things that feel a bit spiritual."

A shopping expedition in W11 might begin at Lulu Guinness (66 Ledbury), whose romantic purses are meadow sweet: French floral furnishing fabrics, flower-braid trims and a hint-of-vintage look. At Molly K (at 63a), the graduate from Kingston fashion college stocks her own easy designs with an Asian touch, and also friends' craft work, from sculptural jewelry through books with tactile wooden covers. She has two words to sum up the W11 district: "eclectic and cosmopolitan."

Crossing Westbourne Grove (a haven of antique shops and modern furnishing stores), Nick Ashley (at 57 Ledbury) has turned his personal passion for motorcycle racing into a store that sells sturdy modernist clothing in high-performance fabrics, from moleskin pants through fleece shirts and windbreaker jackets. The scion of Laura Ashley has kept his family roots in Wales and describes himself as "a practical sort of fellow, more interested in making clothes than making fashion."

But fashion is coming to W11. Paul Smith is bidding for an empty restaurant, Joseph is sniffing around and Ghost is slated to move into Ledbury Road, beside Roger Doyle jewelry (at 38). This store, with its tiny video-screen-size windows set in an undulating opaque plastic wall, is a stylish background for Doyle's colorful stones set in black aluminum rings.

THE litmus test of what's hot in fashion can be found in the vintage collection of Sheila Cook, who has created an Aladdin's cave of treasures (in the basement of 42 Ledbury). This was the first stop of costume designer Penny Rose when she was dressing Madonna for "Evita." Those 1950s dresses are crammed beside Edwardian button boots, flappers' chemises, Glam Rock platform boots, period jewelry and purses. What are Cook's tips on trends? Patterned dresses with bug motifs, and feathers.

A cup of coffee at Tom's café can be followed by a browse through contemporary design stores, like the newly opened Space (214 Westbourne Grove) with its vivid modern furniture, or Christopher Farr (at 212) who stocks kilims by Romeo Gigli and Rifat Ozbek, a W11 local.

Another specialty is jewelry stores: the fine silver of Dinny Hall (at 200) or the colorful gemstones set like Smarties at Solange Azagury-Partridge (at 171), where the decor includes colorful walls and a leather floor.

That striking floor is the work of Bill Amberg, whose nearby shop (at 10 Chepstow Road, W2) gives a modern spin to leather. Reptile is the season's story with hand-painted python pocketbooks, their colors inspired by "an aquatic feel." Amberg — who has been a consultant for Donna Karan and Coach Leather, designs simple bags and luggage with interesting effects, like the new bamboo-print leather. Downstairs is a leather-tiled floor, an example of furnishing commissions from armchairs through a black leather bed.

A visit to W11 might conclude with a visit to Clarendon Cross, not just for a lunch at Orsino's or Julie's wine bar, but to check out another cluster of stores. Virginia is a long-standing haunt of supermodels searching for bias-cut 1930s dresses and vintage accessories. A new arrival is The Cross (141 Portland Road), where Sam Robinson (ex-St. Martin's College student) and Sarah Kean offer the exquisite handcrafted blankets of Asta Harrington (Christy Turlington bought one), soaps labeled "clean and serene" and the delicate beaded work of Matthew Williamson. An Oriental feel pervades the store from *shibura* scarves to the stationery of Nathalie Hambro.

"We're passionate about the product — and we wouldn't sell anything we didn't like ourselves," says Kean. That could be the motto of a generation that is molding an area of London to its own eclectic tastes.

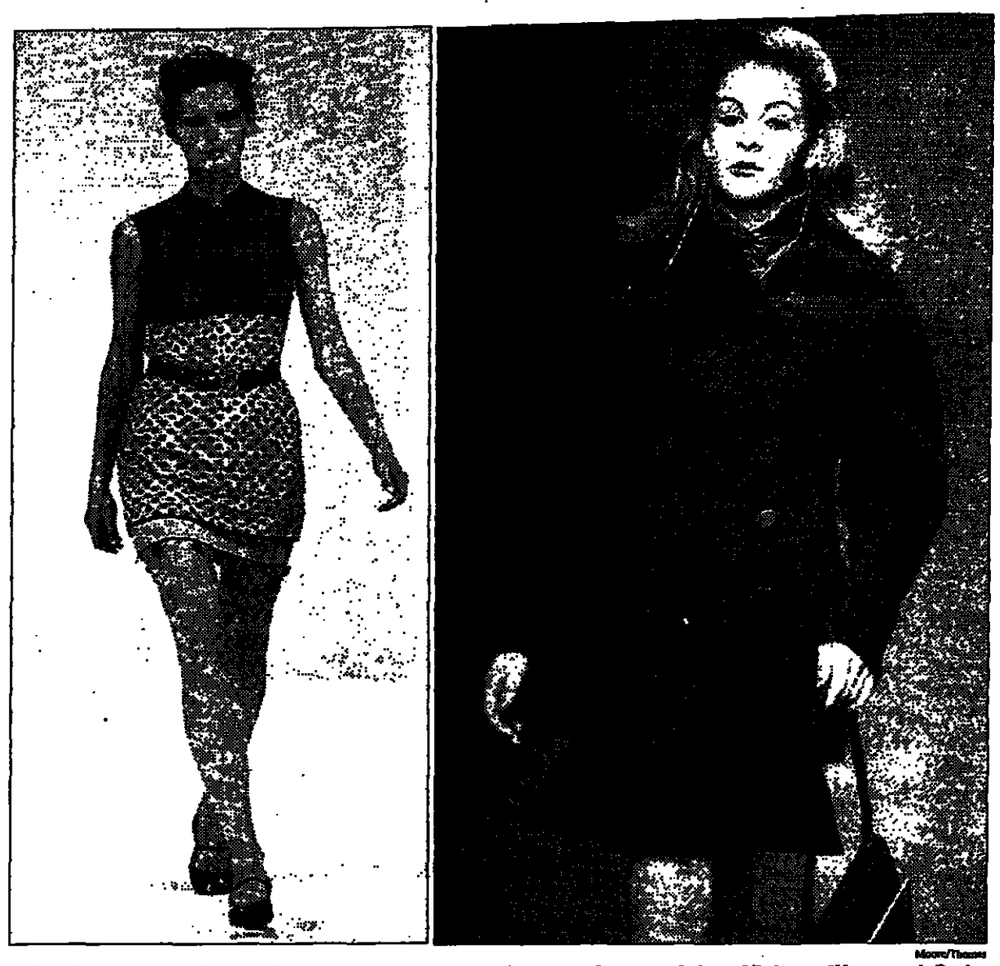
SHOPWATCH

Christopher Moore

In the W11 district of London, where to go for the original and the eclectic: From top to bottom, Sarah Kean, left, and Sam Robinson at The Cross; Jean Patou vintage coat and beaded African skirt at Oguri; Sheila Cook with shell-corset and 1950s hat, and Adam Bray with Swedish and African pots.

On the Runway, Twixt 12 and 18

The British Shows Are Brimming With Youth



Moore/Thames

At left, Miu Miu's polka-dot dress with sequined hem, belt and shoes, and, from Vivienne Westwood, Red Label, the girlish look of tweed coat and short skirt.

International Herald Tribune

LONDON — With balloons and roses decorating the runway and models barely in their teens, the new international fashion season has broken bud. Vivienne Westwood's show of ladylike clothes on schoolgirl models opened London fashion week on a sweet, quiet note. But elsewhere the city is buzzing with excitement at being the capital of cool.

According to Clinton Silver, chairman of the British Fashion Council, media attendance has doubled for the London shows, which now stretch to a full week, to be followed by Milan and Paris, with the fall-winter season closing in New York in April.

To emphasize London's newly hip status, Prada moved its Miu Miu line from New York to the United Kingdom, and celebrated with a big bash at a London gentleman's club on Sunday.

The early shows have emphasized a fresh spirit that is putting the children of the 1980s — 13- to 17-year-olds — as models on the runways. And far from dressing them in teen-scene club wear, both Westwood and Miu Miu showed sober, simple clothes — give or take thigh-high hemlines.

Westwood's mission statement was a handwritten letter in each program addressed as from a maiden aunt to "Rosie," who was exhorted to try the ultimate rebellion: not wearing jeans and sneakers, but grown-up clothes with high-heel shoes.

Out came the winsome models in tidy dresses with white collars, neat two-pieces in camel and gray or suits mixing tweed and plaid. The femininity that usually overflows Westwood's corsets came just as the curving line of a raglan shoulder or the fluting hem on skirts or cropped pants. Jerry Hall, sitting beside her cadaverous husband, Mick Jagger, applauded shapely jersey dresses with portrait necklines and fluffy metallic mohair coats. This new Red Label collection was about outfits and might have shown more separate pieces, but it was true to Westwood's spirit and her philosophy that "it is always time to dress up."

Girlish was also the mood at Miu Miu. And whimsical, what with polka-dot patterns and coin-size sequins dangling from skirt hems or sparkling on the weirdly ill-fitting shoes. Otherwise, the clothes were schoolgirl simple: gray tunic dresses and princess coats with twin buttons and a slit at the back. The collection was nice enough, but did it really need to be seen on the runway, where the zippered cardigans and jackets with narrow empire belts seemed repetitive?

The strength of the collection was the weakness of the show. For Miu Miu is about appealing items: an easy ribbed sweater with elongated arms; a perfectly tailored flannel zippered top; a well-proportioned black velvet jacket; big baggy pants. Slits on skirts or jacket backs were a signature. Put all together on very young girls, it looked cute but either very junior or trying very hard. The once-minimalist Miuccia Prada had an explanation for the coin-dots and sequin decorations. "It's about making yourself rich and happy with poor things," she said.

By Monday, grown women had their chance to play, as Tomasz Starzewski sent out glam clothes for his high-voltage clients. But the designer played it cool, reducing embellishment to a finely beaded bodice or inserts in a slinky dress. The result was upscale dressing with a slim, modern silhouette and warm applause from the front row.

AFTER genteel clothes, it was good to see Seraph — the junior line of Ghost — showing some Anglo-Saxon attitude, by veiling punched leather in shrouds of tulle and by giving simple clothes a subtle medieval theme. That meant fleecy tabards or full-sleeved smocked shirts worn with pants — the kind of funky historicism British designers do well.

Inventive cutting may be the way to enliven minimalist fashion, but Owen Gaster just seemed to strive too hard for effects with his jackets falling into handkerchief points at the side and a godet unfurling at the front of his dresses. Star-shaped seaming in the back of a coat revealed Gaster's tailoring skills, yet high-tech fabrics that respond to body heat or stripes of different fabric on a polo shirt seemed contrived.

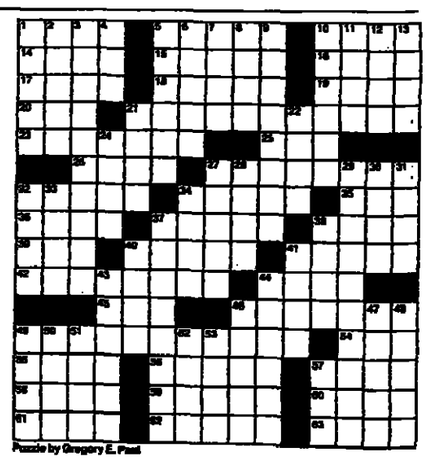
The high drama of the London season is over the hotel war, as the fashion pack divides between The Hempel, the minimalist white temple in West London from fashion designer Anouska Hempel, and The Metropolitan on Old Park Lane. That hotel — all glass, plain, pale walls with touches of chalky mauve and green — opened last week as the latest creation of the fashion entrepeneur Christina Ong, who has had Donna Karan dress the hotel staff and Issey Miyake clothe the personnel in the booked-up Nobu restaurant.

Suzy Menkes

CROSSWORD

ACROSS
1 Cobblers
5 City near Phoenix
10 "Half-Breed" singer
14 Med. sch. course
15 All possible
16 Part of A.P.R.
17 Nimble
18 Dancer Jeanmaire
19 Persia, today
20 The Boy King
21 Sculpture in the Louvre
22 Madalyn O'Hair, e.g.
25 "Norma ——"
26 Deborah's role in "The King and I"
27 Reason for a small craft advisory
32 Paris newspaper, with "Le"
34 Blow one's top
35 Circle segment
36 Baker's dozen
37 Sign of spring
38 Headliner
39 What Dorian Gray didn't do
40 "—— Irish Rose"
41 Computer device
42 Dogpatch dweller
44 Author John Dickson ——
45 Bill's partner
46 Costa Rican export
49 Former Ford offering
54 Org. that sticks to its guns
55 Bread spread
56 Memorable ship
57 Count calories
58 Gen. Bradley
59 Modify
60 —— Domini
61 Precious metal
62 Lascivious looks
63 He was a "Giant" star

DOWN
1 Naples noodles
2 Enter, as data
3 1955 hit for the Crew-Cuts
4 Pig's digs
5 Mother ——
6 The Super Bowl, e.g.
7 Diner's card
8 Nov. electee
9 Tears?
10 "—— and Misdemeanors"
11 Mata ——
12 Useful Latin abbr.
13 Gambler's mecca
21 Ivy plant
22 It may be Far or Near
24 Brings to a close
27 Town —— (early newsman)
28 Regrets
29 Apollo mission
30 Intervals of history
31 Farm measure
32 Repast
33 Today, in Turin
34 Southernmost Great Lake
37 Irregular
38 Carolina rail
40 "—— Ben Adhem" (Leigh Hunt poem)
41 Tailless cat
43 International agreement
44 Wickerworkers
48 Sketch comic John
47 Sports center
48 Squelched
49 Synthesizer man
50 "Tickle Me" doll
51 Genuine
52 Where Bill met Hillary
53 Lo-fat
57 Father figure



Puzzle by Gregory E. Paul

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Feb. 24

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Global Economics Correspondent

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هكذا من الأصل

Animation: Hollywood's Gold Rush

Pixar's 'Toy Story' Provides Profit Motive

By Steve Lohr
New York Times Service

NEW YORK — There's an animation gold rush on in Hollywood. Major studios are eager to imitate the success of Pixar Inc., the company that made the computer-generated film "Toy Story" for Walt Disney Co.

Salaries for experienced animators, writers, directors and producers have more than doubled in the last three years, Nancy Newhouse, a Los Angeles attorney who represents animation professionals, estimates. Six-figure incomes are common, she says, and a handful of animation directors now make more than $1 million a year.

Twentieth Century Fox, a unit of News Corp.; Warner Brothers, a unit of Time Warner Inc.; Dreamworks SKG; Viacom Inc.; and Universal, a unit of Seagram Co., are making sizable investments to build up their animation efforts.

Disney's blockbusters of the 1990s — "Beauty and the Beast," "Aladdin," "Lion King" and "Toy Story" — have firmly focused Hollywood's attention on both the popularity and the profitability of successful animated movies.

While a live-action movie that produces $200 million in profit is deemed an enormous success, "Toy Story," for example, is expected to generate total profits from the box office, videos, computer games and merchandising of nearly $400 million in the two years since its release in the 1995 holiday season.

The allure of animation is obvious, but the odds for the Disney imitators are long. "There is this rush into animation now, but it remains to be seen if anybody besides Disney can really succeed," said George Lucas, the director. "That talent machine hasn't been nurtured over the years, except at Disney."

Pixar is a pioneer in the use of digital technology. Films that are entirely computer animated, like "Toy Story," have a *three-dimensional quality as well as* detailing that is considerably different than the signature look of hand-drawn animated features since "Snow White and the Seven Dwarfs" in 1937.

But even the making of predominantly hand-drawn animated films has been transformed by technology. Today, much of the laborious painting and tracing, once done by hand, is done by computer.

"It's like finding a magic pencil," Frank Thomas, 84, a former Disney animator, said of the new technology. "So many of the things we used to sweat over, you don't have to do anymore."

Despite *its encouraging start*, both artistically and as a technology leader, Pixar illustrates the challenges of building an animation studio and an animation business. Its history goes back more than a decade, and its future is still uncertain.

In 1986, Steve Jobs purchased the computer graphics unit from George Lucas for less than $10 million. The computer graphics group, known as Pixar, was a small team of computer scientists and film makers who were smitten with the notion of making computer-animated feature films.

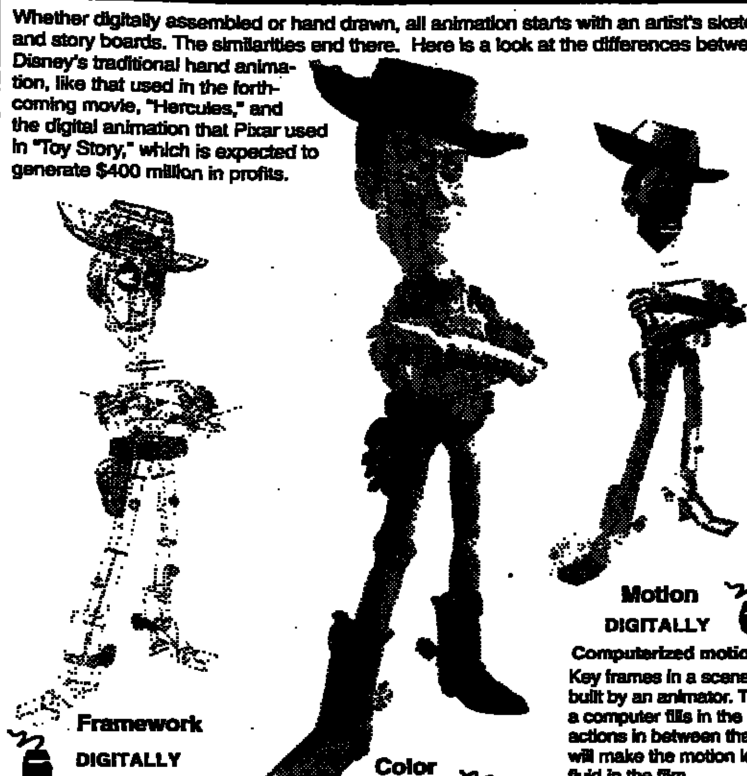
Pixar's advanced graphics technology impressed Mr. Jobs, the co-founder of Apple Computer Inc.

In the 1980s, Pixar's technology was

See PIXAR, Page 15

The $400 Million Man

Whether digitally assembled or hand drawn, all animation starts with an artist's sketches and story boards. The similarities end there. Here is a look at the differences between Disney's traditional hand animation, like that used in the forthcoming movie, "Hercules," and the digital animation that Pixar used in "Toy Story," which is expected to generate $400 million in profits.



The New York Times

Siemens Cuts India Investment

As Boom Sputters, German Firm Hedges Its Bets

By John Schmid
International Herald Tribune

FRANKFURT — The German electronics company Siemens AG has halved its investment plans and scaled back operations in India, Siemens said Monday, in a sign that the boom unleashed by the nation's 1991 economic liberalization may be sputtering.

The company, which enjoyed annual sales growth in India of 30 percent in the four years after 1991, will post losses in its Indian operations for the first time since Siemens established operations there 75 years ago, Rolf Schlotfeldt, executive director for the company's Asian operations, said in an interview.

Siemens Ltd., the Indian division, also plans to lay off most of its 1,000 temporary workers. Its 8,200 regular staff will not be affected, Mr. Schlotfeldt said.

With interest rates in India exceeding 20 percent, customers are reluctant to invest in the kind of big-ticket projects that Siemens offers, such as telecommunications and power generation, Mr. Schlotfeldt said.

Growth in industrial production, which last year amounted to more than 10 percent, has slowed abruptly this year to below 6 percent. At the same time, inflation has risen to a rate of about 8 percent a year.

"We regret committing massive investments in telecommunications and power generation in line with the liberalization euphoria generated by the Indian government," a Siemens director, Guenter Wilhelm, told The Economic Times, an Indian business newspaper.

"The demand in these areas has not developed to the extent that industry and the government expected it to grow," Mr. Wilhelm said. "Consequently, we are forced to terminate some of our manufacturing facilities."

The company stopped manufacturing fiber-optic cable at its plant in Aurangabad, in the state of Maharashtra. But Mr. Schlotfeldt denied the newspaper's account that the move meant layoffs and a plant closure. The 35 employees will continue to work in other operations at Aurangabad, he said.

"The situation is quite serious and the chances of improvement in the near future are quite bleak," said Juergen Schubert, managing director of the Indian operations.

In the current financial year, which ends March 31, the company has slashed its investment plans to 50 million Deutsche marks ($29.6 million) from the 95 million DM that was originally budgeted, Mr. Schlotfeldt said.

The Indian operations posted a loss of 240 million rupees ($6.7 million) in the first financial half and expects the same shortfall in the second, he said.

"We will have to trim our organization to suit the changing conditions," Heinz-Joachim Neubuerger, executive director of Siemens Ltd., told the newspaper. The company plans to consolidate its Indian manufacturing operations, reduce staff and "render large premises vacant which could be put to profitable use," he said.

German Tax Talks Fail to Bridge Rift

By John Schmid
International Herald Tribune

FRANKFURT — Negotiations between Germany's government and opposition politicians failed Monday to bridge deep ideological differences on a plan to overhaul the tax system as a means of attacking record unemployment.

Both sides remained as far apart after the three-hour talks as they were at the start, said Oskar Lafontaine, chairman of the opposition Social Democratic Party. The negotiations resume Friday.

Mr. Lafontaine said he was not disappointed because such talks typically are slow. But the lack of progress in the first round deprived the talks of the "positive signal" Chancellor Helmut Kohl had hoped they would yield.

Speaking of the need to achieve the ruling coalition's goals for tax reform, an official in Mr. Kohl's parliamentary bloc said: "We have only one shot."

Concerns are centered on what has become to many the most important yardstick for measuring whether tax reform will succeed in bolstering business confidence, investment and hiring: a significant cut in Germany's top income tax rate of 53 percent and in business tax brackets that begin at 45 percent.

High taxes are blamed for driving businesses out of Germany, shackling the economy and gouging personal income. With unemployment at a new record of 4.7 million, the highest since 1933, the government's main jobless remedy — tax reform — automatically has become its top political priority.

Tax reform is "one of the last big chances for politicians to win the battle against unemployment," said Guido Westerwelle, general secretary of the Free Democrats, a junior partner in the government coalition.

Many in Bonn worry that posturing over the top benchmark rate has torn deep internal rifts both within Mr. Kohl's coalition and among the Social Democrats, raising the likelihood that the symbolically important top bracket will be vulnerable to trade-offs and that only a half-hearted reduction will emerge from the haggling.

Heading into the talks, neither side was able to heal internal differences over the top rate. Finance Minister Theo Waigel, who headed Mr. Kohl's tax reform commission, wants to cut the peak income tax rate to 39 percent and business taxes to 35 percent. But allies within the coalition continue to demand income tax cuts to 35 percent, a rate that Mr. Waigel insists would lead to deficits that cannot be filled.

Mr. Lafontaine, who led his party's delegation at the talks, has spoken in favor of keeping the top rate at 53 percent or trimming it only modestly, a strategy meant to keep the tax burden on those best suited to pay. His party colleagues have expressed a wide range of other opinions.

Setting the tone, Mr. Kohl made it clear that the top rate would be a make-or-break aspect of the package.

Other European nations like Austria have attracted new investment by cutting their top rate, Mr. Kohl said just before the talks. "If we do not do that," he warned, "we will see that investment bypasses us."

Thinking Ahead /Commentary

U.S. Sanctions Fad Cries for Restraint

By Reginald Dale
International Herald Tribune

WASHINGTON — Though history has shown that they rarely work, economic sanctions are once again in vogue. So much so in fact that, especially in the United States, they risk getting out of hand.

If they continue to proliferate unchecked, they threaten to undermine the international trading system and cause further tensions between the United States and its allies.

Sanctions are being espoused not just by Congress and the administration, but by states and even cities — usually without any serious attempt to assess their likely consequences or conformity with international law.

Although they are ostensibly intended to promote human rights and democracy around the world, sanctions today often have more to do with domestic than international politics.

Their victims are more likely to be U.S. multinationals and other international companies than the governments against which they are officially directed. Increasingly, the sanctions' authors seek to impose U.S. laws on foreign corporations beyond America's shores.

The most glaring example is the latest attempt by Congress to extend the U.S. trade embargo against Cuba by penalizing non-American companies for "trafficking" in property expropriated from Americans by Fidel Castro's regime.

So far the exercise has done less harm to Havana than to U.S. relations with its allies, who find Washington's assertion of extraterritorial jurisdiction totally unacceptable. Similar objections apply to U.S. moves against foreign companies investing in Libya and Iran.

Equally insidious are less visible local boycotts, such as the refusal by Massachusetts to grant contracts to companies that do business with Burma. As the European Union has noted, such "selective purchasing" legislation violates U.S. commitments to international trade agreements. But more is on the way. Other states are considering following Massachusetts, and San Francisco already has a similar law.

It is not easy for America's allies to know how to respond to all this. If they complain too loudly, they risk reinforcing the impression, already widely held in the United States, that they are more interested in business than in human rights.

But the allies clearly cannot accept that Congress dictates their foreign policies or that states sabotage trade accords reached with Washington.

Allies clearly cannot accept that Congress dictates their foreign policies or that states sabotage accords with Washington.

Some disputes — especially where the states are concerned — can and should be referred to the World Trade Organization in Geneva. But that is not the right place to resolve more political issues like the Cuban embargo. The EU was wrong to take it there.

The most pressing need *is* for the United States and its allies to get together and work out a realistic common approach to the whole question of sanctions: what they can achieve, when they should be applied and against whom. The obvious place to do that is in the Group of Seven leading industrialized nations.

The hodgepodge of Western policies is totally inconsistent. The United States is against linking trade to human rights in China but in favor of it in Cuba. The Europeans are against the Cuban embargo but ready to contemplate sanctions against Burma.

Some principles seem to be agreed. The Europeans say they will act only in the case of an international consensus, such as used to exist about South Africa and still does about Iraq. The Americans say they will not do business with terrorist countries, although there are some exceptions.

But the first step toward order in the debate should be to accept — as Cuba has shown and Burma will doubtless show — that most trade sanctions are counterproductive.

CURRENCY & INTEREST RATES

Cross Rates

Feb. 24

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.8975	3.066	1.1244	0.3301	0.1103*	—	5.4475*	1.2914	1.5384*	1.3725	1.3265*
Brussels	34.595	56.4575	20.6425	6.1135	2.0893*	18.365	—	23.7275	0.2842	25.40	24.40*
Frankfurt	1.6954	2.7255	—	0.2962	0.1006*	0.8897	4.8452*	1.1476	1.3716*	1.2250	1.1819*
London (a)	1.6335	—	2.7224	9.2057	2,705.71	3.0673	56.3247	2.3752	199.3482	2.2244	220.328
Madrid	141.772	230.592	84.615	25.075	8.531*	75.279	4.0895	97.324	116.864*	104.091	—
Milan	1,659.50	2,706.50	997.80	293.90	—	880.60	48.038	1,139.40	13.598	1,217.60	11.702
New York (b)	—	1.6358a	1.6745	5.6475	1,662.00	1.8925	34.50	1.459	122.23	1.362	140.735
Paris	5.654	9.196	3.3745	—	0.3402*	3.0022	0.1635	3.8734	4.6200*	4.1513	3.9865*
Tokyo	122.90	199.33	72.97	21.63	0.737	64.53	3.5587	83.78	—	90.13	0.8627
Toronto	1.3627	2.2273	0.8147	0.2406	0.0822*	0.7247	3.949*	0.9356	1.116*	—	0.8562*
Zurich	1.4565	2.3792	0.8712	0.2582	0.0871*	0.7740	4.2369*	—	1.1932*	1.0693	1.0291*
1 ECU	1.165	0.7143	1.952	6.5871	1,936.71	2.1940	40.3896	1.7006	142.308	1.5868	165.154
1 SDR	1.3854	0.8587	2.3211	7.8332	2,302.48	2.6892	47.3767	2.022	169.971	1.880	196.397

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4p.m. and Toronto rates at 3p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	264.38	Mex. peso	7.742	S. Afr. rand	4.4835
Australian $	1.2839	Hong Kong $	7.7450	N. Zealand $	1.4395	S. Kor. won	857.10
Austrian sch.	11.79	Hung. forint	174.55	Norw. krone	6.675	Swed. krona	7.3909
Brazil real	1.0501	Indian rupee	35.89	Phil. peso	26.35	Taiwan $	27.61
Chinese yuan	8.2941	Indo. rupiah	2389.25	Polish zloty	3.05	Thai baht	25.95
Czech koruna	28.54	Irish £	0.6360	Port. escudo	169.65	Turkish lira	129670.
Danish krone	6.3925	Israeli shek.	3.347	Russ ruble	5670.00	UAE dirham	3.672
Egypt. pound	3.3943	Kuwaiti dinar	0.3005	Saudi riyal	3.75	Venez. boliv.	473.25
Fin. markka	5.01	Malay. ring.	2.4763	Sing. $	1.4242		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6253	1.6244	1.6233	Japanese yen	121.68	121.21	120.74
Canadian dollar	1.3598	1.3571	1.3544	Swiss franc	1.4562	1.4514	1.4467
Deutsche mark	1.6730	1.6699	1.6665				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Feb. 24

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5¼ - 5⅜	3⅛ - 3¼	1⅜ - 1½	6⅛ - 6¼	3⅛ - 3¼	⅜ - ½	4⅛ - 4¼
3-month	5 7/16 - 5 9/16	3⅛ - 3¼	1⅜ - 1½	6 3/16 - 6 5/16	3⅛ - 3¼	⅜ - ½	4⅛ - 4¼
6-month	5½ - 5⅝	3⅛ - 3¼	1⅜ - 1½	6¼ - 6⅜	3¼ - 3⅜	⅜ - ½	4¼ - 4⅜
1-year	5¾ - 5⅞	3¼ - 3⅜	1½ - 1⅝	6⅝ - 6¾	3¼ - 3⅜	½ - ⅝	4⅜ - 4½

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8¼	8¼
Federal funds	5¼	5⅛
90-day CDs dealers	5.36	5.36
180-day CP dealers	5.25	5.25
3 month Treasury bill	5.10	5.08
1-year Treasury bill	5.46	5.45
2-year Treasury bill	5.85	5.82
5-year Treasury note	6.17	6.15
7-year Treasury note	6.26	6.24
10-year Treasury note	6.36	6.36
30-year Treasury bond	6.65	6.63
Merrill Lynch 30-day RA	4.88	4.88
Japan		
Discount rate	0.50	0.50
Call money	0.42	0.46
1-month interbank	0.56	0.56
3-month interbank	0.56	0.56
6-month interbank	0.59	0.59
10-year Govt bond	2.49	2.51
Germany		
Lombard rate	4.50	4.50
Call money	3.15	3.15
1-month interbank	3.23	3.20
3-month interbank	3.20	3.20
6-month interbank	3.20	3.20
10-year Bund	5.55	5.54

Britain	Close	Prev
Bank base rate	6.00	6.00
Call money	6.00	6¼
1-month interbank	6⅛	6⅛
3-month interbank	6¼	6¼
6-month interbank	6⅜	6⅜
10-year Gilt	7.16	7.12
France		
Intervention rate	3.10	3.10
Call money	3⅛	3 3/16
1-month interbank	3 3/16	3¼
3-month interbank	3¼	3¼
6-month interbank	3¼	3¼
10-year OAT	5.57	5.56

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	352.45	352.75	+1.10
London	352.40	353.05	−0.25
New York	354.00	355.20	+1.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (April.)
Source: Reuters.

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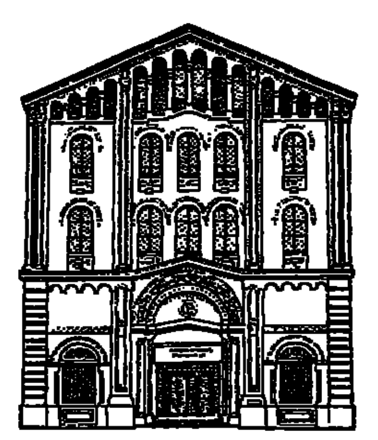

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HONG KONG TEL. 852/28 02 28 88 • SINGAPORE TEL. 65/535 94 77

THE AMERICAS

Investor's America

The Dow	30-Year T-Bond Yield
6600, 6200, 5800	6.95, 6.65, 6.35

Dollar in Deutsche marks	Dollar in Yen
1.67, 1.57, 1.47 — S O N D J F (1996–1997)	123, 115, 107 — S O N D J F (1996–1997)

Exchange	Index	Monday @4PM	Prev. Close	% Change
NYSE	The Dow	7008.20	6931.62	+1.10
NYSE	S&P 500	810.29	801.77	+1.06
NYSE	S&P 100	788.90	781.00	+1.01
NYSE	Composite	424.48	421.01	+0.82
U.S.	Nasdaq Composite	1345.34	1334.31	+0.83
AMEX	Market Value	598.07	597.26	+0.14
Toronto	TSE Index	6242.20	6229.80	+0.30
São Paulo	Bovespa	89592.55	87195.17	+2.75
Mexico City	Bolsa	3888.43	3867.96	+0.53
Buenos Aires	Merval	758.83	740.38	+2.38
Santiago	IPSA General	5366.93	5362.35	+0.09
Caracas	Capital General	6697.86	6653.07	+0.66

Source: Bloomberg, Reuters — International Herald Tribune

Chubb to Sell Life Business

Compiled by Our Staff From Dispatches

WARREN, New Jersey — Chubb Corp. agreed to sell its life insurance business to Jefferson-Pilot Corp. for $875 million, as it moves to focus on property and casualty insurance, the company said Monday.

The sale of Chubb Life Insurance Co. of America would give Greensboro, North Carolina-based Jefferson-Pilot a company with $5 billion in assets, feeding its plans to grow by acquiring smaller rivals. Chubb gets out of a business it says is too small to operate profitably and will use the proceeds to buy back stock.

"The consolidation sweeping life insurance is creating an industry where scale has become extremely important," Chubb's chairman, Dean O'Hare, said.

After the sale, Jefferson-Pilot would have $160 billion in life insurance assets, 2 million customers and a sales force of 25,000.

Small life insurers are finding it difficult to compete with larger rivals because they must spread their costs among fewer customers. Chubb's life insurance unit accounted for just 6 percent of profit in 1996.

Chubb instead wants to invest in expanding its property and casualty business, especially outside the United States, analysts said.

Chubb, based in Warren, New Jersey, ranks 12th among U.S. property and casualty companies but 67th among life insurers.

Chubb shares rose 75 cents to $58.75 in late trading, while Jefferson-Pilot rose $1.75 to $59.375. *(Bloomberg, NYT)*

■ Raytheon Seeks to Sell Unit

Raytheon Co. is looking for a buyer for its Amana appliance unit as a way to reduce the $11 billion in debt Raytheon will incur in acquiring defense businesses from Texas Instruments Inc. and General Motors Corp., news agencies reported from Boston.

The unit known for Amana ovens and Speed Queen washers, had sales last year of $1.5 billion, about 12 percent of the company's sales of $12.26 billion. Analysts said a sale could bring $1 billion to pare debt. *(AP, Bloomberg)*

Stocks Rally on Hopes For Technology Shares

Compiled by Our Staff From Dispatches

NEW YORK — Stocks finished higher Monday, having shaken off some early weakness as bargain-hunting investors started to nibble at bellwether technology shares that have been battered by a week of profit-taking.

The Dow Jones industrial average closed at 7,008.20 points, up 76.58. The 30-stock index rebounded from an early 26-point drop. Advancing issues barely outnumbered decliners on the New York Stock Exchange.

Broader measures also turned higher, with the Standard & Poor's 500-stock index up 8.52 points at 810.29.

The technology-laden Nasdaq market, mired in a five-session losing streak, struggled past more selling pressure in computer-industry leaders such as Cisco Systems and Intel. The Nasdaq Composite index finished at 1,345.25, up 10.93.

Technology shares were also showing some strength on the Big Board, where Micron Technology, the most active issue, was up. IBM also rose; the computer giant was the Dow's biggest gainer after Philip Morris.

"Technology has been the leadership — that is where the market is taking its cues," said Joseph DeMarco, head of equity trading at HSBC Asset Management, which manages $4.5 billion.

The Morgan Stanley High Tech Index rose 4.35 to 383.51 late Monday, recovering from four sessions of losses.

Merck, another Dow component, rose as investors bought shares of companies seen as most likely to deliver strong first-quarter earnings.

"The market is more interested in the stocks that are earning well now than those that may earn well in the future," said Barbara Marcin, who helps manage more than $75 billion at Citicorp Asset Management. "Merck is one of those companies."

The gains in stocks came despite a weak bond market, where the yield on the 30-year Treasury bond, a key determinant of corporate and

U.S. STOCKS

consumer borrowing costs, rose as high as 6.67 percent from late Friday's 6.64 percent; it was at 6.65 percent late Monday.

Traders and investors said that bonds would not gain much before Federal Reserve Chairman Alan Greenspan testifies to Congress on Wednesday and the Treasury sells $30 billion of new debt during the next two days.

"Greenspan's testimony is probably the most important thing all week," Mr. DeMarco said. "The economic calendar is light, and there isn't much in the way of earnings."

Shares of forest-products companies had their biggest one-day rally since April, helped by optimism that coated-paper prices are rising, inventories are falling and orders are picking up.

Mead Corp., Champion International and Consolidated Papers all rose after an analyst at Morgan Stanley raised his ratings to "outperform" from "neutral." *(AP, Bloomberg)*

Asian 'G-6': New Market Mover?

Bloomberg News

WASHINGTON — The "Six Markets Group," or Asian G-6, has the potential to wield significant influence on exchange rates, analysts said Monday.

The United States and five Asian governments — Australia, China, Hong Kong, Japan and Singapore — are to announce next week the formation of what they hope will evolve into an Asian version of the Group of Seven leading industrial countries, U.S. officials said Monday.

The group will monitor exchange rates, financial markets and economic developments in those nations.

Although it will take some time to develop, the group will be modeled on the G-7 — which comprises Britain, Canada, France, Germany, Italy, Japan and the United States. The G-7 includes central bankers and shies away from initiatives to promote trade and investment.

The G-7's influence, particularly

FOREIGN EXCHANGE

over exchange rates, has been keenly felt. The group issued a statement in Berlin earlier this month declaring a "major misalignment" in foreign-exchange markets had ended.

The statement helped stabilize the dollar, which had been appreciating rapidly against other major currencies, particularly against the yen.

■ Dollar Slips Before Speech

The dollar fell against other major currencies late Monday as investors took defensive positions before the semiannual testimony to Congress by Federal Reserve Board Chairman Alan Greenspan, Agence France-Presse reported from New York.

The dollar slipped to 1.6725 Deutsche marks from 1.6883 DM in late trading Friday, and to 122.025 yen from 123.255 yen. It dropped to 5.6415 French francs from 5.6990, and to 1.4565 Swiss francs from 1.4710. The pound rose to $1.6345 from $1.6180.

Very briefly:

- **Loral Space & Communications Ltd.** is buying the 49 percent of Space Systems/Loral held by its four European partners for $374 million in cash and Loral stock.
- **ReliaStar Financial Corp.** is buying **Security-Connecticut Corp.** for $488 million in stock and assumed debt, forming the 11th-largest publicly held U.S. life insurer.
- **W.R. Grace & Co.** will sell its specialty polymers business to **National Starch & Chemical Co.** for $147 million.
- **Hyatt Hotels Corp.** will spend $1 billion over the next three years to acquire 20 to 30 hotels and resorts in North America.
- **UST Inc.** announced the resignations of its chief financial officer, John Bucchignano, and the president of its U.S. Tobacco unit, Robert Rothenberg, amid differences over the future of the company.
- **Republic Industries Inc.** will buy new-car dealership groups in Miami and Houston for about $75 million in stock.
- **Alan Greenspan**, the chairman of the Federal Reserve Board, will deliver the second part of his semiannual testimony on the economy to the House Banking Committee on March 5, six days later than had been scheduled. *Bloomberg*

Weekend Box Office

The Associated Press

LOS ANGELES — "The Empire Strikes Back" dominated the U.S. box office over the weekend, with a gross of $22.35 million. Following are the Top 10 moneymakers, based on Friday ticket sales and estimated sales for Saturday and Sunday.

1. The Empire Strikes Back	(20th Century Fox)	$22.35 million
2. Star Wars	(20th Century Fox)	$11 million
3. Absolute Power	(Columbia Pictures)	$9 million
4. Dante's Peak	(Universal)	$7 million
5. Vegas Vacation	(Warner Bros.)	$6.6 million
6. Fools Rush In	(Columbia Pictures)	$5.6 million
7. That Darn Cat	(Walt Disney)	$3.6 million
8. Rosewood	(Warner Bros.)	$3.2 million
9. Jerry Maguire	(Tri-Star)	$3.1 million
10. The English Patient	(Miramax)	$2.8 million

STATUS: *Cellular Phones, Even at Premium Prices, Appeal to Egyptians in Search of Social Success*

Continued from Page 1

government, its operator, is anticipating that a flood of revenue will be generated by the newly installed comprehensive network of Global System for Mobile (GSM) lines.

Egypt's telecommunications sector is one of the nation's largest moneymakers, ranking just after oil, tourism and the Suez Canal. It brought in about 2.7 billion Egyptian pounds ($795 million) in recent years; in 1997, revenues are expected to top $1 billion.

The government had kept the cellular telephone project buried in a bureaucratic bin for several years, largely because of fears the system would be difficult to monitor and Islamic militants would use it to coordinate attacks. But last year, it began a concerted push to get the system operational.

Egyptians were tantalized with a barrage of full-page newspaper advertisements and imposing billboards. Four major exhibitions on cell phones have been held in Cairo, and two full-color mobile-phone magazines are now on the market.

In a country where getting a phone line can mean waiting for years, walking around with the high-priced new gadget turns heads.

"An Egyptian businessman came to our office saying he just wanted to buy one handset," said a salesman with Systel, a company selling Motorola phones, adding, "He then decided to buy three more: one green for his wife, and one red and one yellow for his two daughters."

The coming of cellular phones is part of a change in approach that the authorities said marked a shift to a new way of running the telecommunications business. Othman Lutfy, the former chairman of Egypt's telecommunications authority and the moving force behind the development of GSM, sees the mobile-phone system as an example of how Egypt wants to modernize the business without privatizing it.

Most symbolic of its quest for a new image was the adoption in January of a new name: The former Arab Republic of Egypt National Telecommunications Organization is now TelecomEgypt.

Revenues for the authority come from unsubsidized international and business phone calls, which in turn subsidize Egyptian local phone calls.

TelecomEgypt charges a connection fee of 2,000 Egyptian pounds, equal to Egypt's annual per capita income. Line charges are 60 piasters (approximately 19 cents) a minute, compared with 5 piasters a minute on a fixed line.

The strategy for now seems to be to milk the elite market until it has had enough, and then reduce prices.

But Suilin Ling of the management firm Booz-Allen & Hamilton Inc., who works on institutional development for TelecomEgypt, warned that the GSM system's high prices and poor technical service may discourage further subscribers. He added, "The surest way would be to introduce competition."

Alcatel Alsthom wants to be part of the key Egyptian market. It made an aggressively low bid last May of just $18.5 million to win the job of supplying a 70,000-line GSM phone network to Egypt's major cities.

Mr. Ling said, "Unmet demand is the reason for Egypt having a good potential in the telecommunication sector."

AMEX

Monday's 4 P.M. Close

The top 300 most active shares, up to the closing on Wall Street.

The Associated Press

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	3pm	Chg.
Indus	6902.76	7004.35	6905.45	6999.73	+68.11
Trans	2351.84	2371.88	2348.76	2371.24	+17.52
Util	228.76	231.27	229.04	231.06	+1.32
Comp	2133.18	2158.98	2132.96	2157.95	+18.71

Standard & Poors

	High	Low	Previous Close	Today 4:00
Industrials	—	—	935.14	945.39
Transp.	—	—	559.99	566.83
Utilities	—	—	198.59	199.96
Finance	—	—	93.79	94.70
SP 500	—	—	801.77	810.29
SP 100	—	—	781.00	788.90

NYSE

	High	Low	3PM	Chg.
Composite	423.25	419.76	423.10	+2.09
Industrials	529.87	525.09	529.71	+3.05
Transp.	367.43	364.54	367.24	+2.36
Utility	274.15	272.14	274.00	−0.93
Finance	394.24	391.19	393.94	+1.02

Nasdaq

	High	Low	3PM	Chg.
Composite	1338.16	1326.61	1334.10	−0.22
Industrials	1120.96	1115.59	1117.16	−0.95
Banks	1426.44	1423.80	1425.31	−1.55
Insurance	1503.65	1495.18	1500.18	+5.06
Finance	1763.26	1759.08	1763.22	+2.38
Transp.	858.87	854.37	857.57	−3.22

AMEX

High	Low	3PM	Chg.
598.90	596.44	597.45	+0.16

Dow Jones Bond

	Close	Chg.
20 Bonds	103.45	−0.03
10 Utilities	100.40	+0.16
10 Industrials	106.50	−0.23

Most Actives

NYSE

	Vol.	High	Low	3PM	Chg.
MicrnT	49830	36	34⅝	35⅞	+1⅞
Kmart	46557	11⅞	11¼	11⅝	+⅜
CentenTs	37280	3⅞	2⅝	3⅞	+1⅛
PepsiCo s	37094	34⅝	34	34	−⅛
AT&T s	33785	41¼	40⅝	41⅛	+1⅛
IBM	32938	142⅛	137⅞	141⅛	+3⅛
Compaq	32145	80⅝	79⅞	79⅞	−⅜
OffcDpt	31583	19	18⅝	18⅝	−1⅛
MercPh	29982	2⅝	2⅜	2⅝	+⅛
WalMart	29689	24⅝	23⅞	24½	+½
USWest	29108	36⅞	35⅝	36⅝	+1⅛
PhilMr	24823	134⅝	127⅞	134⅞	+5⅛
BayNtwk	24317	19⅝	18⅝	19	—
GenMotr	22648	59⅝	58⅝	59⅝	+⅝
PacTel	22051	40⅝	39⅝	39⅝	−⅛

Nasdaq

	Vol.	High	Low	3PM	Chg.
Cisco	290644	59	55⅞	58¾	−⅞
Intel	131891	145⅞	142⅛	144⅞	−1⅛
CascCm	76874	28	25⅝	28	+2⅛
Microsft s	59855	98	96	98	+⅛
US Robt s	53009	59⅛	57	59⅛	+3⅛
Reqlnd s	48629	35⅝	33⅞	35⅛	+1⅛
ApldMat	44973	51⅞	48⅝	49⅜	−1⅛
DellCpt s	40338	71⅝	69⅞	71⅝	—
SunMic s	36397	33	32⅛	32⅛	−⅛
3Com	35772	39⅛	37⅞	38⅝	+⅛
Ascend	35578	61	56⅞	59⅞	−⅛
Oracle s	33410	41	39⅝	40⅛	−1⅛
WorldCm s	33279	26½	26⅛	26⅛	+⅛
Intel wt	32090	106⅞	103	105	−2
C-CUBE	31610	30	26⅝	29⅝	+4⅛

AMEX

	Vol.	High	Low	Last	Chg.
Harken	12301	4⅝	3⅝	4⅝	−⅛
ViacB	11191	35½	34½	35⅛	+⅛
EchoBay	9861	7⅝	7⅛	7⅝	+⅛
SPDR	7322	81⅝	79⅝	81⅛	+1
GldStarR	5042	15	14	14⅛	−1⅛
WEB Jpn n	5034	12⅝	12⅛	12⅛	−⅛
IvaxCp	4901	12⅛	11⅞	12	−⅛
Nabors	4748	16⅛	15⅝	16	—
XCL Ltd	4006	¼	⅛	⅛	—
BemaGold	3577	7⅝	7⅛	7⅝	+⅛

Trading Activity

NYSE

	Noon	Prev.
Advanced	1179	1324
Declined	1108	1168
Unchanged	900	861
Total issues	3187	3353
New Highs	89	105
New Lows	7	18

Nasdaq

	Noon	Prev. Close
Advanced	1749	1922
Declined	1776	2116
Unchanged	2216	1707
Total issues	5741	5745
New Highs	96	157
New Lows	58	114

AMEX

	Noon	Prev.
Advanced	205	284
Declined	233	246
Unchanged	181	205
Total issues	619	735
New Highs	15	25
New Lows	4	6

Market Sales

	Today 4:00	Prev. cons.
NYSE	463.67	489.03
Amex	22.95	21.46
Nasdaq	534.59	612.77

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Amway Japan Ltd	b	.20	2-27	5-20
STOCK SPLIT				
Barnes Group 3 for 1 split.				
Premier Bncshrs 1.8055 for 1 split.				
Tokyo Electron 1.1 for 1 split.				
INCREASED				
Managers Bd Fd	M	.11	2-24	2-26
Morgan Keegan	Q	.08	3-19	4-15
Pinnacle FnclSvcs	Q	.225	3-21	4-1
Provena Foods	Q	.03	3-10	3-31
Shoreline Fin	Q	.21	3-4	3-14
YEAREND				
Glamis Gold	-	.05	3-14	3-20
Natl Presto	-	2.00	3-3	3-12
OMITTED				
FAC Realty	-			
SPECIAL				
GulfCdaResogpfI	-	.01	2-28	3-12
INITIAL				
Desjardins-LaurF I	g	.015	3-7	3-31
Monterey Res	-	.22	3-31	4-21

Company	Per	Amt	Rec	Pay
EXTRA				
Pengrowth Energy	-	.05	2-27	3-15
REGULAR				
ANB Corp	Q	.15	3-14	3-31
Advanta Cp B,	Q	.132	3-3	3-18
Capital City	Q	.30	3-14	3-28
Chester Valley Bn	Q	.11	3-5	3-19
Crown Am Rlty	Q	.20	3-3	3-18
Ecolab Inc	Q	.16	3-18	4-15
Ferrellgas Prtnr	Q	.50	2-28	3-14
Fst Hawaiian	Q	.31	2-28	3-14
Hollinger Inc g	Q	.15	5-26	6-10
Ingles Mkts A,	Q	.165	4-4	4-14
Mitchell Energy B,	Q	.1325	2-13	4-7
Nike Inc B,	Q	.10	3-20	4-4
PG&E corp	Q	.30	3-14	4-15
Pengrowth Energy	M	.10	2-27	3-15
President Rlty A,	Q	.15	3-11	3-31
Republic Bncp	Q	.10	3-7	4-4
Stratton Monthly	M	.16	2-28	3-10
Texas Util	Q	.525	3-7	4-1
United Bncp OH,	Q	.11	3-3	3-20
TransCda Pipe g	Q	.29	3-31	4-30
United Bancorp	Q	.11	3-3	3-20
WillCorroon PLC	b	.167	3-4	4-8

g- payable in Canadian funds.

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Feb. 24, 1997

	High	Low	Close	Chge	OpInt
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Mar 97	292¼	288½	289	−2¾	70,868
May 97	293¾	289½	290	−2¾	130,111
Jul 97	294	290	290¼	−2	98,712
Sep 97	285½	282	282½	−1¾	12,688
Dec 97	283½	278½	279½	−3¼	59,352
Est. sales N.A. Fri's. sales 107,803					
Fri's open int 372,285 up 36					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Mar 97	259.60	256.20	256.50	−1.10	30,190
May 97	253.50	250.30	250.50	−1.40	34,067
Jul 97	249.60	247.00	247.20	−1.20	25,076
Aug 97	245.40	243.10	243.30	−1.30	5,048
Sep 97	237.50	235.30	235.30	−1.90	3,329
Oct 97	225.00	223.00	223.50	−0.70	1,460
Est. sales N.A. Fri's. sales 29,988					
Fri's open int 105,479 up 466					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Mar 97	24.03	23.68	23.70	−0.37	26,373
May 97	24.45	24.10	24.10	−0.31	33,030
Jul 97	24.82	24.48	24.53	−0.29	17,745
Aug 97	25.00	24.69	24.69	−0.24	3,648
Sep 97	25.15	24.80	24.80	−0.34	2,695
Oct 97	25.15	24.93	24.93	−0.29	998
Est. sales N.A. Fri's. sales 22,450					
Fri's open int 91,706 up 1879					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Mar 97	786	775½	775½	−7½	44,340
May 97	788½	778	778½	−7	60,789
Jul 97	788½	778	778½	−6¼	42,499
Aug 97	780½	772	772½	−7	7,332
Sep 97	740	735	736½	−2	2,817
Est. sales N.A. Fri's. sales 85,375					
Fri's open int 182,382 off 13					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Mar 97	380	370	376	+3	15,967
May 97	379	371	373	−¾	27,856
Jul 97	368	361	363½	+½	29,775
Sep 97	371	364½	366	+1	2,824
Est. sales N.A. Fri's. sales 26,002					
Fri's open int 73,343 off 1320					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Apr 97	69.95	69.20	69.72	+0.47	44,768
Jun 97	65.50	64.97	65.25	+0.32	19,237
Aug 97	64.98	64.43	64.78	+0.37	18,861
Oct 97	68.75	68.10	68.57	+0.45	12,834
Dec 97	70.80	70.32	70.62	+0.35	4,459
Feb 98	71.90	71.45	71.70	+0.25	2,377
Est. sales N.A. Fri's. sales 14,983					
Fri's open int 102,780 up 140					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Mar 97	69.25	68.25	69.20	+0.97	4,896
Apr 97	70.30	69.20	70.25	+1.10	3,616
May 97	72.10	70.90	72.05	+1.20	5,155
Aug 97	75.20	74.10	75.15	+1.05	4,437
Sep 97	75.40	74.75	75.20	+0.77	1,574
Oct 97	75.95	75.15	75.95	+0.85	2,053
Est. sales N.A. Fri's. sales 2,737					
Fri's open int 22,480 up 129					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Apr 97	74.95	73.60	74.65	+1.70	16,813
Jun 97	80.70	79.50	80.55	+1.60	9,766
Jul 97	79.07	77.95	78.85	+1.45	2,253
Aug 97	75.50	74.00	75.32	+1.42	2,280
Oct 97	67.95	66.85	67.77	+1.32	1,527
Dec 97	65.60	64.75	65.52	+1.07	807
Est. sales N.A. Fri's. sales 8,813					
Fri's open int 33,923 off 311					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	77.50	77.50	77.50	+3.00	225
Mar 97	77.32	77.00	77.32	+3.00	2,234
May 97	78.27	78.10	78.27	+3.00	3,675
Jul 97	77.05	77.05	77.85	+3.00	840
Aug 97	74.60	74.60	74.60	+3.00	544
Est. sales N.A. Fri's. sales 1,800					
Fri's open int 7,538 off 84					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 97	1241	1220	1220	−1	862
May 97	1280	1258	1270	−8	35,257
Jul 97	1311	1292	1302	−5	18,574
Sep 97	1339	1322	1332	−4	10,637
Dec 97	1373	1356	1365	−4	6,051
Est. sales N.A. Fri's. sales 4,399					
Fri's open int 89,792 off 377					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 97	176.00	173.10	173.45	−1.35	4,237
May 97	163.50	160.00	161.65	−0.50	22,552
Jul 97	157.00	154.00	155.15	−0.75	7,164
Sep 97	150.00	147.50	148.35	−0.65	3,637
Est. sales N.A. Fri's. sales 11,629					
Fri's open int 41,079 up 176					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	11.15	10.90	10.92	−0.26	24,298
May 97	11.01	10.80	10.90	−0.20	65,144
Jul 97	10.75	10.45	10.66	−0.16	30,286
Oct 97	10.69	10.42	10.63	−0.15	22,197
Est. sales N.A. Fri's. sales 42,776					
Fri's open int 153,544 up 2881					

	High	Low	Close	Chge	OpInt
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 97	80.30	78.70	79.75	+0.70	7,355
May 97	82.65	81.05	81.70	−0.15	10,578
Jul 97	85.40	84.25	84.40	−0.45	4,383
Sep 97	88.05	87.25	87.30	−0.70	3,303
Est. sales N.A. Fri's. sales 4,901					
Fri's open int 26,724 up 249					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Feb 97	355.20	354.60	355.00	+0.90	1,379
Mar 97			353.90		23
Apr 97	356.20	353.80	355.30	+1.20	82,252
Jun 97	358.20	356.40	357.30	+1.20	26,110
Aug 97	360.40	359.00	359.80	+1.40	18,796
Oct 97	362.50	361.90	362.50	+1.70	5,423
Dec 97	365.10	363.80	364.50	+1.30	19,211
Feb 98	367.70	366.70	366.70	+1.00	4,085
Est. sales N.A. Fri's. sales 55,926					
Fri's open int 183,576 off 3501					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Feb 97	114.60	113.20	113.95	+0.10	1,076
Mar 97	114.60	112.35	113.70	+0.40	20,935
Apr 97	112.20	111.70	111.70	+0.40	2,187
May 97	110.80	108.15	110.30	+0.60	17,425
Jun 97	108.50	108.45	108.50	+0.30	875
Jul 97	107.60	106.50	107.10	+0.60	5,214
Aug 97			105.85	+0.55	623
Sep 97	104.60	104.00	104.60	+0.50	2,480
Oct 97			103.40	+0.50	588
Est. sales N.A. Fri's. sales 19,184					
Fri's open int 61,889 up 2499					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Feb 97			518.50		14
Mar 97	521.50	518.50	520.00	+1.00	44,514
Apr 97			521.50		4
May 97	527.50	523.50	524.50	+0.70	29,892
Jul 97	532.00	528.50	530.50	+1.80	9,994
Sep 97	537.80	535.00	535.50	+2.20	3,197
Dec 97	543.00	541.00	543.00	−2.80	5,448
Jan 98	547.80	547.00	547.00	+4.00	9
Est. sales N.A. Fri's. sales 24,004					
Fri's open int 99,677 off 1011					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Feb 97	753.00	376.20	376.20	+4.40	1
Mar 97	1395.00	1395.00	1395.00		
Apr 97	379.50	375.00	378.20	+4.20	18,668
Jul 97	381.50	378.50	381.50	+5.50	3,408
Oct 97	381.50	381.00	381.50	+2.50	1,993
Jan 98			380.30		1,114
Est. sales N.A. Fri's. sales 3,188					
Fri's open int 25,184 up 88					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1621.00	1622.00	1593.00	1594.00
Forward	1651½	1624.00	1624½	1652.00
Copper Cathodes (High Grade)				
Spot	2443.00	2445.00	2437.00	2440.00
Forward	2374.00	2375.00	2366.00	2367.00
Lead				
Spot	663½	664½	663.00	664.00
Forward	671.00	672.00	670½	671.00
Nickel				
Spot	7785.00	7995.00	7820.00	7830.00
Forward	8080.00	8085.00	7910.00	7915.00
Tin				
Spot	5920.00	5930.00	5950.00	5960.00
Forward	5985.00	5990.00	6005.00	6010.00
Zinc (Special High Grade)				
Spot	1195½	1196½	1194.00	1195.00
Forward	1218½	1219.00	1216.00	1217.00

	High	Low	Close	Chge	OpInt
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	95.03	95.02	95.02	−0.07	5,971
Jun 97	94.93	94.92	94.93	−0.08	3,685
Sep 97	94.78	94.77	94.77	−0.09	1,430
Dec 97			94.48		847
Est. sales N.A. Fri's. sales 278					
Fri's open int 10,616 off 13					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Mar 97	106-62	106-55	106-57	−07	171,816
Jun 97	106-45	106-42	106-43	−08	45,476
Sep 97			106-28		3
Est. sales N.A. Fri's. sales 64,268					
Fri's open int 216,495 up 3452					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	109-21	109-13	109-16	−06	262,190
Jun 97	108-31	108-26	108-29	−06	77,517
Sep 97	108-10	108-10	108-10	−08	4,443
Est. sales N.A. Fri's. sales 96,978					
Fri's open int 344,150 off 3751					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	112-28	112-14	112-19	−11	454,183
Jun 97	112-12	111-31	112-03	−12	89,606
Sep 97	111-20	111-20	111-20	−13	12,715
Dec 97			111-19		4,273
Est. sales N.A. Fri's. sales 355,401					
Fri's open int 560,337 up 9888					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar97	103.37	103.18	103.23	−0.21	232,882
Jun97	102.53	102.38	102.41	−0.20	69,923
Sep97	101.60	101.60	101.56	−0.04	0
Est. sales: 100,460. Prev. sales: 148,734					
Prev. open int.: 302,806 up 2,128					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar97	113-06	112-31	113-00	−0-10	173,185
Jun97	112-23	112-16	112-17	−0-10	25,209
Sep97	N.T.	N.T.	112-02	Unch.	600
Est. sales: 82,414. Prev. sales: 58,197					
Prev. open int.: 198,384 off 13,180					

	High	Low	Close	Chge	OpInt
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	132.18	132.04	132.12	−0.14	132,596
Jun 97	130.88	130.76	130.84	−0.10	22,516
Sep 97	129.22	129.16	129.18	−0.10	1,794
Dec 97	N.T.	N.T.	98.42	−0.14	0
Est. volume: 67,547. Open int.: 156,906 up 2,791.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar97	131.35	130.32	131.19	+0.39	104,754
Jun97	130.70	129.80	130.54	+0.36	25,679
Sep97	129.68	129.68	130.42	+0.34	800
Est. sales: 73,762. Prev. sales: 58,165					
Prev. open int.: 131,233 off 2,137					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Mar 97	94.57	94.50	94.57	−0.03	387,850
Apr 97	94.46	94.46	94.47	−0.03	8,154
May 97	94.43	94.42	94.43	−0.04	3,713
Jun 97	94.39	94.37	94.38	−0.05	396,181
Sep 97	94.26	94.22	94.23	−0.06	298,030
Dec 97	94.08	94.03	94.05	−0.05	217,050
Mar 98	93.96	93.93	93.93	−0.09	185,872
Jun 98	93.86	93.82	93.83	−0.10	145,328
Sep 98	93.76	93.74	93.75	−0.04	108,992
Dec 98	93.64	93.62	93.63	−0.07	85,631
Mar 99	93.62	93.60	93.61	−0.03	68,851
Jun 99	93.56	93.54	93.55	−0.03	69,131
Sep 99	93.51	93.49	93.49	−0.04	54,208
Dec 99	93.42	93.40	93.40	−0.04	47,187
Est. sales N.A. Fri's. sales 196,201					
Fri's open int 2,347,456 up 3641					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 97	1.6360	1.6200	1.6348		33,271
Jun 97	1.6320	1.6210	1.6320		2,793
Sep 97			1.6108		1,091
Dec 97			1.6072		8
Est. sales N.A. Fri's. sales 5,693					
Fri's open int 37,163 off 274					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 98			.7496		87
Est. sales N.A. Fri's. sales 6,936					
Fri's open int 56,414 up 520					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 97			.6035		25
Est. sales N.A. Fri's. sales 17,186					
Fri's open int 99,450 up 1195					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar97	96.79	96.76	96.79	Unch.	184,164
Apr97	96.84	96.84	96.82	Unch.	6,277
May97	96.81	96.81	96.83	Unch.	1,969
Jun97	96.84	96.81	96.84	+0.01	182,815
Sep97	96.76	96.72	96.76	+0.01	157,085
Dec97	96.62	96.58	96.61	+0.01	176,765
Mar98	96.46	96.42	96.45	Unch.	127,838
Jun98	96.28	96.24	96.27	Unch.	112,383
Sep98	96.08	96.03	96.07	Unch.	79,415
Dec98	95.84	95.80	95.84	Unch.	69,669
Mar99	95.61	95.58	95.61	Unch.	48,476
Jun99	95.38	95.36	95.38	Unch.	25,258
Sep99	95.14	95.13	95.14	Unch.	21,875
Dec99	94.91	94.88	94.90	Unch.	22,642
Est. sales: 86,055. Prev. sales: 132,393					
Prev. open int.: 1,223,894 up 4,499					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar97	93.74	93.72	93.72	−0.02	99,769
Jun97	93.57	93.55	93.56	−0.02	125,785
Sep97	93.38	93.36	93.36	−0.02	87,455
Dec97	93.24	93.22	93.23	−0.02	57,524
Mar98	93.14	93.13	93.13	−0.02	29,745
Jun98	93.06	93.04	93.05	−0.02	34,495
Sep98	92.99	92.97	92.97	−0.02	21,838
Dec98	92.92	92.91	92.91	−0.02	16,669
Mar99	92.87	92.85	92.85	−0.02	8,561
Jun99	92.81	92.78	92.79	−0.03	7,580
Sep99	92.74	92.72	92.72	−0.03	7,386
Dec99	92.67	92.66	92.67	−0.02	4,783
Est. sales: 24,166. Prev. sales: 27,473					
Prev. open int.: 515,790 off 671					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 97	96.67	96.64	96.66	+0.00	60,031
Jun 97	96.68	96.65	96.66	+0.00	52,435
Sep 97	96.66	96.63	96.63	−0.01	36,313
Dec 97	96.60	96.57	96.57	+0.00	29,805
Mar 98	96.48	96.46	96.48	+0.00	18,177
Jun 98	96.34	96.32	96.33	−0.01	16,566
Sep 98	96.18	96.16	96.17	−0.01	11,812
Dec 98	95.98	95.97	95.97	−0.01	10,417
Mar 99	95.77	95.75	95.76	+0.00	12,827
Jun 99	95.55	95.55	95.55	+0.00	6,346
Sep 99	95.33	95.33	95.33	+0.00	3,987
Dec 99	95.09	95.07	95.09	+0.00	3,317
Est. volume: 23,368. Open int.: 262,033 up 1,183.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar97	92.84	92.82	92.84	−0.03	78,569
Jun97	93.51	93.42	93.48	−0.02	99,969
Sep97	93.83	93.76	93.80	−0.03	49,375
Dec97	93.95	93.87	93.93	−0.02	34,542
Mar98	93.98	93.94	93.96	−0.02	19,552
Jun98	93.94	93.91	93.94	−0.01	11,760
Est. sales: 28,861. Prev. sales: 66,170					
Prev. open int.: 293,467 off 1,793					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	73.60	72.90	73.38	+0.28	2,131
May 97	75.50	75.15	75.30	+0.15	36,382
Jul 97	76.65	76.32	76.50	+0.18	11,846
Oct 97	76.75	76.70	76.75	+0.20	1,376
Dec 97	76.85	76.65	76.71	+0.11	13,324
Mar 98	77.50	77.50	77.50	+0.05	1,051
Est. sales N.A. Fri's. sales 28,740					
Fri's open int 65,870 off 4012					
HEATING OIL (NMER) 42,000 gal. cents per gal					
Mar 97	58.85	55.75	55.85	−2.00	27,167
Apr 97	56.62	55.00	55.15	−1.47	28,722
May 97	55.70	54.55	54.60	−1.02	10,762

	High	Low	Close	Chge	OpInt
Jun 97	55.15	54.10	54.30	−0.82	8,959
Jul 97	55.25	54.50	54.50	−0.67	6,571
Aug 97	55.75	55.20	55.20	−0.42	5,160
Sep 97	56.25	55.80	55.80	−0.37	3,658
Oct 97	56.90	56.50	56.50	−0.22	2,316
Nov 97	57.40	57.00	57.00	−0.27	2,543
Dec 97	57.90	57.50	57.50	−0.32	6,032
Est. sales N.A. Fri's. sales 30,297					
Fri's open int 112,825 up 1355					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Apr 97	21.45	20.75	20.76	−0.63	98,690
May 97	21.12	20.48	20.52	−0.55	46,440
Jun 97	20.83	20.30	20.30	−0.51	39,041
Jul 97	20.61	20.15	20.20	−0.39	17,421
Aug 97	20.34	20.00	20.00	−0.40	15,812
Sep 97	20.18	19.97	19.97	−0.26	15,458
Oct 97	20.05	19.83	19.83	−0.28	12,122
Nov 97	20.10	19.92	19.92	−0.07	10,673
Dec 97	20.00	19.72	19.72	−0.17	36,464
Jan 98	19.87	19.78	19.78	−0.04	14,332
Feb 98	19.80	19.75	19.75	−0.03	8,299
Mar 98	19.76	19.72	19.72	−0.02	2,169
Apr 98			19.70		3,644
Est. sales N.A. Fri's. sales 70,490					
Fri's open int 386,742 up 9470					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Apr 97	1.930	1.850	1.870		30,446
May 97	1.950	1.890	1.910		16,384
Jun 97	1.970	1.920	1.935		10,575
Jul 97	1.980	1.945	1.955		10,357
Aug 97	2.000	1.965	1.985		8,425
Sep 97	2.020	1.980	2.000		7,222
Oct 97	2.040	2.000	2.020		9,044
Nov 97	2.160	2.140	2.150		5,265
Dec 97	2.285	2.265	2.270		8,671
Jan 98	2.328	2.300	2.305		7,681
Feb 98	2.235	2.210	2.230		3,217
Est. sales N.A. Fri's. sales 47,868					
Fri's open int 167,756 off 4545					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Mar 97	62.00	60.00	60.10	−1.72	22,433
Apr 97	63.80	61.80	61.80	−1.94	31,466
May 97	63.60	61.85	61.90	−1.77	17,054
Jun 97	63.10	61.40	61.50	−1.54	10,213
Jul 97	61.75	60.60	60.60	−1.19	5,406
Aug 97	60.40	59.50	59.50	−0.89	3,856
Est. sales N.A. Fri's. sales 27,482					
Fri's open int 93,827 up 1127					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Mar 97	170.00	166.25	166.75	−3.75	23,218
Apr 97	171.00	167.50	167.75	−3.75	11,420
May 97	171.50	168.75	169.00	−3.25	6,439
Jun 97	172.25	170.00	170.00	−3.00	8,517
Jul 97	172.00	171.50	171.25	−2.75	3,610
Aug 97	N.T.	N.T.	172.50	−2.50	1,274
Sept 97	N.T.	N.T.	173.50	−2.50	1,068
Oct 97	177.25	176.75	174.75	−2.25	1,304
Nov 97	N.T.	N.T.	176.00	−2.00	639
Dec 97	178.50	177.00	177.00	−2.00	5,232
Est. sales: 16,000. Open int.: 64,155 up 2,953					

Stock Indexes

	High	Low	Close	Chge	OpInt
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	809.80	800.00	808.00	+3.55	182,570
Jun 97	817.30	807.75	815.85	+3.90	14,634
Sep 97	824.55	816.40	824.55	+4.90	1,954
Dec 97	829.90	829.90	829.90	+2.15	2,825
Est. sales N.A. Fri's. sales 72,748					
Fri's open int 201,183 off 82					
FTSE 100 (LIFFE) £25 per index point					
Mar97	4328.0	4305.0	4328.0	+4.0	58,527
Jun97	4345.0	4331.0	4347.0	+4.5	6,080
Sep97	4359.0	4359.0	4374.0	+3.0	1,991
Est. sales: 9,856. Prev. sales: 18,414					
Prev. open int.: 67,398 up 801					
CAC 40 (MATIF) FF200 per index point					
Feb 97	2577.0	2555.0	2569.5	−7.50	22,480
Mar 97	2581.0	2561.0	2576.0	−7.50	25,940
Apr 97	2576.5	2572.5	2577.0	−7.50	219
Jun 97	2540.0	2535.5	2542.5	−7.50	3,279
Sep 97	2550.0	2550.0	2554.5	−8.50	6,710
Dec 97	2570.0	2570.0	2574.5	−8.00	0
Mar 98	N.T.	N.T.	2592.5	−8.50	7,929
Sep 98	N.T.	N.T.	2567.0	−7.50	710
Est. volume: 24,018. Open int.: 67,267 up 825.					

Commodity Indexes

	Close	Previous
Moody's	1,509.80	1,503.09
Reuters	1,982.60	1,990.90
D.J. Futures	157.36	154.80
CRB	239.82	241.36

Spot Commodities

	Today	Prev.
Aluminum, lb	0.723	0.714
Copper electrolytic, lb	1.18	1.17
Iron FOB, ton	167.00	167.00
Lead, lb	0.50	0.50
Silver, troy oz	5.23	5.23
Steel (scrap), ton	120.83	120.83
Tin, lb	4.01	4.0276
Zinc, lb	0.5966	0.5975

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

مكتبة الأهرام

EUROPE

Eurotunnel Granted Extension of Freeze On Interest Payments

Compiled by Our Staff From Dispatches

PARIS — Eurotunnel said Monday its creditors extended a 17-month freeze on its monthly interest payments of $96 million, giving the debt-ridden operator of the Channel Tunnel nine more months to restructure its debt and avoid bankruptcy.

The extension frees a total of some $936 million in cash for Eurotunnel operations that would otherwise have gone to pay interest.

The 225-member banking syndicate "approved the extension of the standstill date" from March 14 to Dec. 14, the British-French company said.

Had the interest moratorium not been extended, talks to restructure more than half of Eurotunnel's 69.6 billion francs ($12.21 billion) in debt could have broken down, leaving the company's fate in the hands of a French bankruptcy court.

"The standstill had to be extended," said Jeff Summers, an analyst at Klesch & Co., a London-based debt trader. "If the banks had said we're not extending, that would have meant you can tear your debt reconstruction up."

In such a case, he said, the banks would either have had to run Eurotunnel or seize its assets, with the French courts involved in what Mr. Summers termed an "extremely messy" process.

"At least this gives them a comfort period to hopefully put everything in place by the 14th of December," he added.

Units of Eurotunnel, the equivalent of one share in Eurotunnel SA and one in its British sister company, Eurotunnel PLC, rose Monday on the Paris exchange by 20 centimes, to 6.90 francs.

Driven into the red by cost overruns on its construction — building the undersea tunnel cost more than twice what it was initially supposed to — Eurotunnel moved in September 1995 to halt all interest payments on its debt.

The standstill was to have run out next month.

Eurotunnel reached a preliminary agreement last October with its lenders to restructure more than half the debt.

That agreement requires the approval of all 225 banks and a majority of Eurotunnel's shareholders before it can be put in place.

The company's operations were curtailed by a mid-November fire that gutted one of its two main tunnels.

Traffic will not resume fully until next June as a result. Eurotunnel will recoup most of the lost revenue from its insurers.

Eurotunnel has said that business was recovering strongly and that it expected to have 50 percent of the Channel market by the end of the year.

Eurotunnel has been hammered by competition and price-cutting from ferry operators such as Peninsular & Oriental and Stena Line AB, which agreed last October to merge. *(Bloomberg, Reuters)*

2 U.S. Utilities Buy U.K. Electric Firm

Compiled by Our Staff From Dispatches

LONDON — Two U.S. power companies have agreed to buy one of the two remaining independent British power distributors, the companies said Monday.

American Electric Power Co. of Columbus, Ohio and Denver-based Public Service Co. of Colorado offered to buy Yorkshire Electricity Group PLC, based in the northern English city of Leeds, for £1.5 billion ($2.43 billion) in cash and as much as £240 million in assumed debt.

Yorkshire's board recommended that investors accept the cash offer of 927 pence per share, a 13 percent premium to the Friday closing price of 818.5 pence. Yorkshire shares closed up 63.5 pence at 882 pence on Monday, a gain of 8 percent.

If shareholders agree, Yorkshire would become the seventh British electric utility bought by a U.S. company in two years, and Southern Electric PLC would be the last of the original 12 regional distribution companies in England and Wales to remain independent. The companies were privatized in 1990. *(AP, Bloomberg)*

EU Weighs Fee for Card Use

Reuters

BRUSSELS — In a blow for the banking and credit card industries, the European Commission said Monday it might allow shops to pass credit and debit card fees on to customers who pay with cards instead of cash.

Retailers, restaurants and other service providers have fought the banks for years over the right to share the card costs charged by banks with their clients.

The banks currently ban this on the grounds that consumers should not be penalized for using cards. But the commission believes this hampers fair competition between different payment systems and weakens the retailers' position with the banking system.

"The commission has doubts about this rule; it would like it to disappear," a commission spokesman told a news briefing.

Scrapping the rule would lead to more transparent costs and allow retailers to negotiate better fees with banks, said the spokesman for Karel Van Miert, European competition commissioner, rejecting any suggestion the move would be bad for consumers.

The European consumer organization BEUC is split on the issue. "BEUC does not have a position on the issue, the reason being that the views of national consumer organizations tend to differ depending on market traditions," a spokeswoman said.

Catherine Piana, adviser at Eurocommerce — which represents retailers and wholesalers — said the matter was about "a more equitable sharing of costs" between stores and card users.

But it was not sure that consumers would end up paying a charge for using their cards.

In Belgium, where the nondiscrimination rule has been made illegal for debit cards, retailers charge customers an extra five francs (14 cents) each time they pay with their card.

But in Britain, credit card holders are not charged, even though the rule was suppressed in 1989. This may be because British consumers are generally more organized and combative than on the Continent, industry sources said.

The rule is also illegal in Sweden and the Netherlands.

But Europay, which represents Eurocard, MasterCard and Eurocheque, argued that card holders had the right to know exactly how much they were paying for a service or goods and pay only that.

A spokesman argued that the commissions paid to banks were a fair price for the service the merchants were getting. "A merchant pays a commission because he is buying a guarantee from the bank that the instrument he is accepting will be accepted by the bank," the spokesman said.

Charges paid by stores and restaurants vary between less than 1 percent and 5 percent of sales.

Thorn to Close 90 Stores and Cut Jobs

Bloomberg News

LONDON — Shares of Thorn PLC rose 10 percent after the British consumer-goods rental company said it would close 90 Radio Rentals stores and trim its British work force by 5 percent, or 360 jobs, in an effort to reduce costs.

In the meantime, Thorn said it would increase advertising promotions to try and retain customers at its U.S. Rent-A-Center, U-Can-Rent and Remco stores.

The company, formed from the breakup of Thorn-EMI in August, also confirmed that its nine-month pretax profit and one-time charges increased 8 percent to £123 million ($199 million) and that weak sales and the strong pound would dent its profits for the year.

"People are focusing on the fact that there was no further bad news," said Victoria Melendez, an analyst with Morgan Stanley. "The market has heaved a sigh of relief."

Investors also may be optimistic that Thorn will pay its final dividend when it reports results for its 1996 financial year in May, said Rod Salmon, an analyst with Dresdner Kleinwort Benson.

Thorn shares rose 16.5 pence Monday to close at 203 pence.

Shares have fallen about 50 percent since the company's former parent, concerned about competition, insurance tax in Britain and litigation in the United States, split into Thorn and the music recording company EMI Group PLC.

In January, Thorn said its more than 600 Radio Rentals outlets — which offer furniture as well as televisions, stereos and personal computers — posted a "disappointing" performance.

The 90 Radio Rentals stores Thorn will close generated only about 7 percent of new business during the nine months that ended on Dec. 31. They accounted, however, for 15 percent of the total network of outlets.

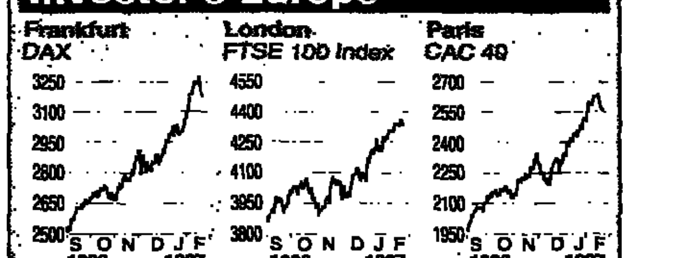
Emap Shares Drop as Executive Quits

Bloomberg News

LONDON — Emap PLC shares dropped 3 percent Monday after the British consumer magazine and exhibition company said its managing director, David Arculus, was quitting to join United News & Media PLC as chief operating officer.

Mr. Arculus, 50, joined Emap in 1972 as corporate planner, and become managing director in 1989 after five years as deputy managing director. Along with Chief Executive Robin Miller, he is credited with the successful growth and acquisition strategy at Emap that has almost quadrupled its share price in five years. Shares in Emap fell 27 pence (43.7 U.S. cents), to 785.5 pence, while United News stock rose 16.5 pence, to 704 pence.

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	AEX	733.51	728.92	+0.63
Brussels	BEL-20	2,104.48	2,094.76	+0.46
Frankfurt	DAX	3,184.21	3,184.09	+0.00
Copenhagen	Stock Market	541.32	547.79	-1.18
Helsinki	HEX General	2,851.89	2,873.00	-0.73
Oslo	OBX	599.03	617.31	-2.96
London	FTSE 100	4,331.10	4,336.80	-0.13
Madrid	Stock Exchange	464.25	470.70	-1.37
Milan	MIBTEL	12,277.00	12,356.00	-0.64
Paris	CAC 40	2,567.85	2,562.84	+0.20
Stockholm	SX 16	2,789.95	2,801.72	-0.42
Vienna	ATX	1,211.80	1,209.53	+0.19
Zurich	SPI	2,837.80	2,871.24	-1.19

Source: Telekurs — International Herald Tribune

Very briefly:

- **Kirch Group**, the Munich-based media company, is planning to float 17.5 million preferred shares in its television station Pro Sieben Media AG for about 1 billion Deutsche marks ($592 million) by mid-1997, the station's chairman, Georg Kofler, said to the daily Sueddeutsche Zeitung.
- **Societe Nationale des Chemins de Fer**, the French state-owned railway system, incurred a deficit of 15.2 billion francs ($2.69 billion) last year, or 2.7 billion francs more than was set out in a revised autumn budget, results showed Monday.
- **Club Mediterranee SA** shares rose 21 percent, to 431 francs, amid optimism that the closing of seven unprofitable resorts and the hiring of Philippe Bourguignon, Euro Disney SA's chief executive, would boost earnings.
- **Hanson PLC**, the British industrial conglomerate and once a symbol of 1980s takeover mania, ceased to exist Monday when it ended a two-year process that split the group into five quoted companies.
- **Lufthansa AG** should reduce its fares on the Frankfurt-Berlin route, on which it has a monopoly, the German Cartel Office decided Monday. The office ordered the airline to align its Frankfurt-Berlin tariffs with those charged on its Munich-Berlin route.
- **Racal Electronics PLC**'s shares surged 3.9 percent amid speculation that the British defense and telecommunications company's chairman, Sir Ernest Harrison, might be plotting to break up the group.
- **A Paris court** delayed ruling on a lawsuit brought against Georgia Tech Lorraine, the French campus of Atlanta's Georgia Institute of Technology, by two French public interest legal groups which accused the university's English-only Web site of violating a 1994 French law mandating the use of French in all sales of "goods and services" on French territory. Additional arguments are scheduled to be heard on April 28. *AFX, AFP, Bloomberg, IHT*

WORLD STOCK MARKETS

Monday, Feb. 24
Prices in local currencies.
Telekurs

Amsterdam — AEX index: 733.51, Previous: 728.92

	High	Low	Close	Prev.
ABN-AMRO	142.50	135.80	140.50	136.40
Aegon	124.90	122.70	124	124.30
Ahold	121.20	118.20	120.40	119.10
Akzo Nobel	275.20	272.90	273.50	274.90
Baan Co.	89.80	87.30	88.30	87.90
Bols Wess cva	33.30	32.70	33.30	33.20
CSM cva	111.50	109.40	112	110
Dordtsche Pet	355.80	352.50	352.50	357.10
DSM	185	178	185	179.10
Elsevier	30.90	30	30.20	30.30
Fortis Amev	72.70	70.70	72.50	71.70
Getronics	62	59	61.50	59
G-Broc cva	58.70	56.80	57	57.50
Hagemeyer	157.30	150	157	149.60
Heineken	329.70	325.50	327.10	327.50
Hoogovens cva	83.90	78.50	83.50	78.50
Hunt Douglas	139.50	136.50	139.50	139.70
ING Group	74.30	71.70	73.60	72.30
KLM	56.30	55.40	56.10	56.10
KNP BT	43.10	41.50	43.10	41.80
KPN	69.60	68.70	69.20	69.30
Nedlloyd Gp	55.90	55.30	55.90	56.20
Nutricia	287.30	277	287.30	279
Oce Grinten	244.50	240.10	242.40	242.50
Philips Elec	82.90	81	82.10	82.80
Polygram	84.50	82.60	83	84.30
Randstad Hdg	143	136.50	141.60	138
Robeco	160.80	159.10	159.10	161
Rodamco	60.40	59.90	60	60
Rolinco	163.30	162.20	162.20	164.20
Rorento	110	109.90	109.90	110
Royal Dutch	335.80	332.50	333.60	331.70
Unilever cva	362.90	357	360.60	362.50
Vendex Intl	88.10	86.20	87.80	86
VNU	39.90	37.80	38.30	38.90
Wolters Kl cva	238.90	232.50	237.40	237.50

Bangkok — SET index: 742.88, Previous: 747.70

	High	Low	Close	Prev.
Adv Info Svc	257	242	244	252
Bangkok Bk F	244	236	240	248
Krung Thai Bk	42.50	40.50	41	41.75
PTT Explor	340	336	340	340
Siam Cement F	800	732	752	764
Siam Com Bk F	160	153	153	159
Telecomasia	49	47	47	48.50
Thai Airways	43.75	41.75	41.75	44
Thai Farm Bk F	162	155	161	159
Utd Comm	165	160	164	164

Bombay — Sensex 30 index: 3439.31, Previous: 3439.49

	High	Low	Close	Prev.
Bajaj Auto	922	890	890.50	921.50
Hindust Lever	859.75	847	850	856.25
Hindust Petm	379.50	372.50	375.25	381.25
Ind Dev Bk	94.75	93	93.50	94.75
ITC	409.50	392.25	394.25	408
Mahanagar Tel	230.75	226.25	227.25	230.50
Reliance Ind	264.75	255.50	255.75	264
State Bk India	284	273	273.50	283.25
Steel Authority	22	20.25	20.50	21.50
Tata Eng Loco	352	335	335.50	342.50

Brussels — BEL-20 index: 2104.48, Previous: 2094.76

	High	Low	Close	Prev.
Almanij	12800	12700	12800	12800
Barco Ind	5750	5720	5730	5740
BBL	7300	7180	7290	7260
CBR	3205	3150	3160	3195
Cobruyl	15200	14975	15025	15200
Delhaize Lion	2010	1995	2005	2070
Electrabel	8060	7990	8060	8030
Electrafina	3280	3260	3270	3260
Fortis AG	5940	5800	5940	5800
Gevaert	2535	2420	2525	2545
GBL	4770	4705	4770	4730
Gen Banque	12450	12100	12400	12200
Kredietbank	12275	11825	12275	11950
Petrofina	12275	12025	12275	12275
Powerfin	4840	4825	4835	4860
Royale Belge	7990	7910	7990	8000
Soc Gen Belg	2900	2820	2900	2850
Solvay	21450	21200	21325	21475
Tractebel	14900	14800	14900	14850
UCB	94150	93250	94000	94050

Copenhagen — Stock Index: 541.32, Previous: 547.79

	High	Low	Close	Prev.
BG Bank	310	296	297	310
Carlsberg B	407	399	404	410
Codan Fors	980	865	950	980
Danisco	387	374	374	387
Den Danske Bk	618	584	587	618
D/S Svenborg B	278000	274725	278000	284000
D/S 1912 B	193000	187000	187000	190000
FLS Ind B	860	840	840	860
Kob Lufthavne	676	663.35	663.35	685
Nvo Nordisk B	616	606.50	611	617
Sophus Ber B	875	864	869	878
Tele Danmk B	357	350	351	358
Tryg Baltica	381	373	374	380
Unidanmark A	354	346	352	354

Frankfurt — DAX: 3184.21, Previous: 3184.09

	High	Low	Close	Prev.
AMB B	1050	1040	1050	1050
Adidas	154.80	151	152.80	155.70
Allianz Hdg	3230	3218	3229	3212
Altana	1445	1429	1430	1439.50
Bk Berlin	31.80	31.70	31.75	32.11
BASF	61.85	61.40	61.60	62.35
Bayer Hypo Bk	49.75	49.60	49.75	49.45
Bay.Vereinsbank	61.33	61.02	61.10	61.35
Bayer	69	68.45	68.69	68.80
Beiersdorf	92.80	92.10	92.50	93
Bewag	475	474	475	473
BHW	1140	1135	1137	1134
CKAG Colonia	151	149	149.50	150.20
Commerzbank	42.90	42.42	42.80	42.15
Daimler Benz	120.90	120.40	120.65	121.50
Degussa	712	708	710.50	710
Deutsche Bank	86.30	85.75	86	86.10
Deut Telekom	31.78	31.60	31.70	31.82
Dresdner Bank	54.55	54.30	54.45	54.20
Fresenius	342.50	341	341	342
Fresenius Med	147	145.80	146.60	146.80
Fried. Krupp	255	249	251	251.50
Gehe	113.40	112	112	113.20
Heidelbg Zmt	139.50	138	139	139.50
Henkel pfd	84.50	83.90	84.50	83.50
HEW	485	480	480	480
Hochtief	73	70.50	71.80	72.80
Hoechst	70.45	69.90	70.25	71.85
Karstadt	525	518	520.50	524
Linde	1080	1064	1076	1068
Lufthansa	23.30	22.90	23	23.20
MAN	436	431.50	433	434
Mannesmann	677.50	674.50	676	675.30
Metallgesellschaft	33.80	33.72	33.80	33.50
Metro	140	139.60	140	139.20
Munch Rueck R	4080	4030	4030	4018
Preussag	413	406	412	406
Rheinelektra	1295	1280	1285	1298
RWE	73.15	72.60	72.90	72.65
SAP pfd	251.50	246.70	250	251.20
Schering	143.70	142.40	143.20	144.90
SGL Carbon	244	237	241	240.50
Siemens	83.95	83.40	83.58	83.90
Springer (Axel)	1120	1120	1120	1125
Suedzucker	739	745	745	742
Thyssen	333	323	332.50	318.50
Veba	95.55	94.90	95.25	94.35
VEW	500	499	500	500
Viag	712	701	712	704.50
Volkswagen	808	800.50	801.25	800

Helsinki — HEX General index: 2851.89, Previous: 2873.00

	High	Low	Close	Prev.
Cultor 1	297	295	296.70	297
Enso A	41.90	41	41.70	41.50
Huhtamaki I	220	220	220	220
Kemira	58	57.20	57.30	57.90
Kesko	74.40	73.50	74	74
Merita A	18	17.70	17.90	17.80
Metra B	296	295	295.50	297
Metso-Serla B	42	41	42	42
Neste	140.50	138	139	140
Nokia A	306	300	301.50	306
Orion-Yhtymae	184	180	182	180
Outokumpu A	85	82	84.40	85
Rautaruukki	44.60	44.20	44.20	44.50
Sampo Insur	490	475	488	500
UPM-Kymmene	104.60	103.60	104	104
Valmet	93.50	93.10	93.50	93.70

Hong Kong — Hang Seng: 13275.49, Previous: 13444.85

	High	Low	Close	Prev.
Amoy Props	9.70	9.55	9.55	9.60
Bk East Asia	34	33.80	33.90	33.80
Cathay Pacific	12.05	11.90	12	12.05
Cheung Kong	72	71	71.75	71.75
CK Infrastruct	21.25	20.90	21.05	21
China Light	34.70	34.40	34.60	34.60
Citic Pacific	39.50	38.50	39.40	38.60
Dao Heng Bk	39.50	38.90	39.50	38.90
First Pacific	11.30	11.05	11.10	11.30
Hang Lung Dev	15.45	15.55	15.55	15.60
Hang Seng Bk	91.25	90.25	90.50	91.25
Henderson Inv	8.90	8.80	8.90	8.85
Henderson Ld	71.25	69	69.25	71.50
HK China Gas	14.65	14.50	14.50	14.60
HK Electric	26.95	26.85	26.85	26.90
HK Telecomm	13.55	13.25	13.30	13.50
Hopewell Hdgs	4.48	4.40	4.43	4.45
HSBC Hdgs	189.50	188.50	188.50	189
Hutchison Wh	58.25	57.50	58	58.25
Hysan Dev	27.35	27.25	27.30	27.35
Johnson El Hdg	22.15	22	22.15	22
Kerry Props	19.80	19.50	19.50	19.30
New World Dev	48.60	48	48.20	48.70
Oriental Press	2.73	2.65	2.73	2.70
Pearl Oriental	6.25	6.10	6.20	6.18
SHK Props	90.50	89	89.50	90.50
Shun Tak Hdgs	5.50	5.40	5.40	5.35
Sino Land Co.	8.90	8.80	8.90	8.95
Sth China Post	7.50	7.40	7.50	7.35
Swire Pac A	67.50	66.75	66.75	67.25
Wharf Hdgs	36	35	35.40	35.90
Wheelock	21.65	21.35	21.35	21.35

Jakarta — Composite index: 696.82, Previous: 696.50

	High	Low	Close	Prev.
Astra Intl	6425	6325	6350	6350
Bk Intl Indon	2000	1950	1950	2000
Bk Negara	1700	1675	1700	1700
Gudang Garm	10925	10800	10800	10800
Indocement	3575	3525	3550	3575
Indofood	5200	5100	5125	5300
Indosat	7025	6950	6975	7050
Sampoerna HM	14200	14000	14000	14150
Semen Gresik	7125	7075	7100	7100
Telekomunikasi	4125	4050	4100	4100

Johannesburg — All Market: 7173.14, Previous: 7124.12

	High	Low	Close	Prev.
Amalgamatd Bks	28.05	27.20	28.05	27.25
AngloAm Coal	317.50	311	311.50	311.50
AngloAm-Corp	278	276	277.50	276
AngloAm Gold	345	343.75	345	342
AngloAm Ind	175.50	175	175	175
AVMIN	19	18.65	19	18.80
Barlow	50.75	50	50	50.75
C.G. Smith	27.25	24.75	27	24.75
De Beers	152.50	151.25	153.50	151.50
Driefontein	48.90	48.25	48.90	48.90
Fst Natl Bk	26.20	25	25.75	26.25
Gencor	19.70	19.40	19.50	19.45
GFSA	126	125.50	125.50	125.75
Imperial Hdgs	57	56.50	57	56.50
Ingwe Coal	29.30	29.20	29.25	29.10
Iscor	3.53	3.50	3.51	3.50
Johnnies Ind	60	59.50	60	60
Liberty Hdgs	344	342.75	344	342.50
Liberty Life	130.75	130	130	130
LibLife Strat	15.70	15.40	15.70	15.50
Minorco	104	102.75	103.50	102.25
Nampak	20	19.70	20	19.70
Nedcor	78.50	78	78.25	78
Rembrandt Gp	47.20	46.50	46.50	47
Richemont	64	63.50	63.75	64
Rust Platinum	74.75	73	75.25	74.75
SA Breweries	140.75	140	140.50	140.25
Samancor	55.50	55.50	55.50	55.25
Sasol	54.50	53	54	52.75
SBIC	184.25	184	184	184.50
Tiger Oats	76.50	75	76.50	74

Kuala Lumpur — Composite: 1264.90, Previous: 1262.86

	High	Low	Close	Prev.
AMMB Hdgs	23	22.70	22.80	22.90
Genting	16.80	16.60	16.70	16.80
Mal Banking	29.50	29.25	29.50	29.25
Mal Intl Ship F	6.55	6.25	6.50	6.20
Petronas Gas	9.30	9.10	9.10	9.10
Proton	17	16.80	17	16.80
Public Bk	5.65	5.50	5.60	5.50
Renong	4.64	4.36	4.50	4.66
Resorts World	12	11.80	11.90	12
Sime Darby	9.55	9.30	9.30	9.50
Telekom Mal	19.30	19.10	19.30	19.20
Tenaga	12	11.70	11.90	12
Utd Engineers	23.40	23.20	23.30	23.40

London — FT-SE 100: 4331.10, Previous: 4336.80

	High	Low	Close	Prev.
Abbey Natl	7.81	7.71	7.79	7.71
Allied Domecq	4.44	4.32	4.43	4.36
Anglian Water	6.64	6.33	6.47	6.36
Argos	6.94	6.87	6.90	6.87
Asda Group	1.13	1.12	1.12	1.13
Assoc Br Foods	4.90	4.87	4.88	4.92
BAA	5.32	5.23	5.28	5.29
Barclays	11.32	10.88	10.95	11.26
Bass	8.71	8.57	8.63	8.60
BAT Ind	5.36	5.25	5.32	5.38
Bank Scotland	3.67	3.59	3.65	3.61
Blue Circle	3.92	3.87	3.88	3.92
BOC Group	9.90	9.81	9.82	9.96
Boots	7	6.86	6.94	6.87
BPB Ind	3.52	3.48	3.48	3.50
Brit Aerosp	12.84	12.60	12.73	12.44
Brit Airways	6.31	6.24	6.28	6.34
BG	1.97	1.76	1.78	1.78
Brit Land	5.45	5.37	5.42	5.39
Brit Petm	6.87	6.73	6.79	6.82
BSkyB	6.29	6.17	6.20	6.06
Brit Steel	1.50	1.44	1.48	1.44
Brit Telecom	4.36	4.28	4.35	4.32
BTR	2.42	2.37	2.40	2.42
Burmah Castrol	10.33	10.20	10.26	10.23
Burton Gp	1.54	1.52	1.53	1.53
Cable Wireless	5.29	5.07	5.18	5.09
Cadbury Schw	4.97	4.92	4.95	4.90
Carlton Comm	5.52	5.40	5.44	5.52
Comml Union	7.12	6.88	6.93	7.13
Compass Gp	7.38	7.30	7.32	7.30
Courtaulds	3.73	3.68	3.70	3.71
Dixons	5.21	5.14	5.17	5.11
Electrocomponents	4.11	4.07	4.07	4.10
EMI Group	12.38	11.80	12.05	12.34
Energy Group	5.70	5.30	5.69	5.27
Enterprise Oil	6.36	6.24	6.28	6.37
Fam Colonial	1.58	1.57	1.57	1.58
Genl Accident	8.15	7.98	8.07	8.18
GEC	3.78	3.71	3.73	3.77
GKN	9.55	9.40	9.44	9.56
Glaxo Wellcome	10.22	10.08	10.16	10.15
Granada Gp	9.25	9.17	9.22	9.17
Grand Met	4.75	4.65	4.72	4.65
GRE	2.90	2.81	2.86	2.93
Greenalls Gp	5.59	5.52	5.54	5.54
Guinness	4.67	4.56	4.62	4.65
GUS	6.84	6.72	6.78	6.79
Hays	5.70	5.65	5.69	5.69
HSBC Hldgs	15.15	15.04	15.11	15.22
ICI	7.63	7.33	7.62	7.56
Impl Tobacco	4.28	4.24	4.26	4.26
Kingfisher	6.63	6.52	6.58	6.54
Ladbroke	2.32	2.27	2.29	2.31
Land Sec	7.88	7.78	7.83	7.74
Lasmo	2.44	2.41	2.41	2.41
Legal Genl Grp	4.03	3.98	3.97	3.96
Lloyds TSB Gp	5.09	4.98	5	5.11
LucasVarity	2.05	1.96	2.05	1.94
Marks Spencer	4.90	4.75	4.85	4.80
MEPC	4.73	4.65	4.72	4.72
Mercury Asset	13.30	13.23	13.23	13.32
National Grid	2.10	2.07	2.09	2.08
Natl Power	4.87	4.80	4.85	4.83
NatWest	8.16	8.05	8.11	8.13
Next	5.95	5.87	5.92	5.87
Orange	2.13	2.08	2.12	2.10
P&O	6.75	6.44	6.75	6.64
Pearson	7.74	7.62	7.66	7.64
Pilkington	1.43	1.35	1.42	1.34
PowerGen	6.35	6.25	6.32	6.31
Premier Farnell	5.23	5.12	5.17	5.11
Prudential	5.61	5.48	5.59	5.57
Railtrack PP	4.54	4.45	4.50	4.38
Rank Group	4.38	4.34	4.36	4.37
Reckitt Colm	8.04	7.90	7.98	7.89
Redland	3.42	3.33	3.39	3.39
Reed Intl	11.72	11.38	11.38	11.68
Rentokil Initial	4.65	4.58	4.62	4.65
Reuters Hdgs	6.75	6.66	6.70	6.70
Rexam	3.22	3.15	3.18	3.19
RMC Group	9.45	9.37	9.37	9.43
Rolls Royce	2.29	2.24	2.26	2.26
Royal Bk Scot	6.34	6.16	6.21	6.24
RTZ reg	9.38	9.26	9.37	9.32
Royal & Sun All	4.92	4.83	4.85	4.89
Safeway	3.54	3.48	3.51	3.52
Sainsbury	3.22	3.09	3.11	3.13
Schroders	16.95	16.80	16.91	16.82
Scot Newcastle	6.89	6.83	6.89	6.75
Scot Power	3.58	3.55	3.56	3.56
Securicor	3.22	3.17	3.18	3.24
Severn Trent	6.93	6.80	6.86	6.82
Shell Transp R	10.68	10.47	10.62	10.55
Siebe	9.80	9.71	9.71	9.76
Smith Nephew	1.97	1.93	1.96	1.92
SmithKline	9.17	9.09	9.13	9.24
Smiths Ind	7.85	7.70	7.78	7.82
Sthern Elec	7.38	7.27	7.33	7.45
Stagecoach	7.07	6.97	7.02	6.97
Stand Charter	7.89	7.79	7.81	7.91
Tate & Lyle	4.56	4.47	4.50	4.57
Tesco	3.50	3.45	3.47	3.49
Thames Water	7.14	6.75	6.88	6.77
3i Group	5.17	5.12	5.12	5.17
TI Group	5.30	5.21	5.23	5.29
Tomkins	2.86	2.80	2.85	2.84
Unilever	16.20	16.03	16.11	16.11
Utd Assurance	5.38	5.33	5.35	5.36
Utd News	7.07	6.94	7.04	6.90
Utd Utilities	6.72	6.63	6.70	6.64
Vendome Lx uts	5.37	5.34	5.37	5.16
Vodafone	2.90	2.83	2.87	2.86
Whitbread	7.98	7.83	7.85	7.82
Williams Hdgs	3.21	3.06	3.18	3.09
Wolseley	4.88	4.70	4.76	4.88
WPP Group	2.55	2.49	2.55	2.48
Zeneca	19	18.62	18.90	18.44

Madrid — Bolsa index: 464.25, Previous: 470.70

	High	Low	Close	Prev.
Acerinox	19350	19050	19300	19360
ACESA	1680	1650	1660	1695
Aguas Barcelon	5580	5470	5500	5580
Argentaria	5830	5750	5770	5870
BBV	8600	8450	8510	8620
Banesto	1100	1090	1095	1090
Bankinter	19880	19700	19780	19890
Bco Central Hisp	3710	3675	3685	3755
Bco Exterior	2850	2805	2805	2825
Bco Popular	26370	26050	26340	26400
Bco Santander	9600	9520	9530	9650
CEPSA	4215	4110	4110	4200
Continente	2455	2400	2440	2465
Corp Mapfre	7800	7640	7670	7820
Endesa	8820	8460	8510	8800
FECSA	1205	1165	1170	1205
Gas Natural	32410	32000	32800	32670
Iberdrola	1610	1575	1595	1610
Pryca	2680	2560	2565	2610
Repsol	5580	5480	5530	5560
Sevillana Elec	1330	1300	1305	1330
Tabacalera	6400	6240	6360	6490
Telefonica	3270	3235	3240	3295
Union Fenosa	1170	1130	1150	1175
Valenc Cement	1500	1490	1500	1500

Manila — PSE index: 3338.67, Previous: 3301.98

	High	Low	Close	Prev.
Ayala B	30	29	30	29.50
Ayala Land	31.50	30.50	31.50	30
Bk Philip Isl	191	187	190	188
C&P Homes	12.75	12.25	12.25	12.50
Manila Elec A	125	123	124	124
Metro Bank	738	725	730	730
Petron	10.75	10.50	10.75	10.25
PCI Bank	390	385	385	392.50
Phil Long Dist	1580	1565	1575	1555
San Miguel B	98	97.50	97.50	98.50
SM Prime Hdg	7.80	7.60	7.70	7.60

Mexico — Bolsa index: 3888.45, Previous: 3880.04

	High	Low	Close	Prev.
Alfa A	44.90	44.50	44.90	44.60
Banacci B	19.66	19.26	19.66	19.30
Cemex CPO	32.05	31.70	31.80	31.90
Cifra C	12.64	12.38	12.46	12.42
Emp Moderna	45.20	44.90	44.90	45.00
Gpo Carso A1	47.20	46.60	46.80	46.95
Gpo Fin Inbursa	28.15	27.70	27.70	28.15
Kimb Clark Mex	171.50	170.70	171.00	170.70
Televisa CPO	104.00	103.10	103.30	103.50
TelMex L	15.60	15.46	15.48	15.56

Milan — MIB Telematico: 12277.00, Previous: 12356.00

	High	Low	Close	Prev.
Alleanza Assic	12990	12610	12610	12700
Bca Comm Ital	3740	3680	3680	3745
Bca Fideuram	4710	4550	4590	4645
Bca di Roma	1338	1318	1337	1339
Benetton	20300	19950	19950	20250
Credito Italiano	2410	2380	2405	2390
Edison	9850	9620	9670	9850
ENI	8955	8865	8930	8915
Fiat	5250	5160	5240	5220
Generali Assic	32600	31550	31550	31800
IMI	15380	14970	15000	15355
INA	2355	2330	2335	2345
Italgas	6535	6255	6280	6405
Mediaset	7230	7140	7170	7170
Mediobanca	11530	11400	11450	11445
Montedison	1294	1265	1289	1270
Olivetti	632	617	618	631
Parmalat	2370	2320	2325	2350
Pirelli	3425	3390	3410	3425
RAS	15905	15675	15680	15740
Rolo Banca	17900	17705	17790	17905
S Paolo Torino	11870	11320	11825	11425
Stet	8145	8070	8095	8170
Telecom Italia	4470	4320	4335	4465
TIM	4730	4665	4700	4750

Montreal — Industrials index: 3034.48, Previous: 3043.58

	High	Low	Close	Prev.
Bce Mob Com	42.85	42.55	42.85	42.35
Cdn Tire A	25.15	24.95	25.15	24.70
Cdn Util A	32.20	32.10	32.20	32.20
CT Finl Svc	37	37	37	37¼
Gaz Metro	17.10	16.65	17.05	16.60
Gt-West Lifeco	24	22¾	23¾	22¾
Imasco	37.90	37.10	37.90	37
Investors Grp	26½	26½	26½	27
Loblaw Cos	16½	16¼	16.35	16.35
Natl Bk Canada	15.85	15.65	15.80	15.80
Power Corp	28¾	28.35	28.65	28¾
Power Finl	27	26½	26.85	26¾
Quebecor B	25.40	25.30	25.30	25.30
Rogers Comm B	9.70	9.70	9.70	9.60
Royal Bk Cda	54.30	53.85	54.30	54.20

Oslo — OBX index: 599.03, Previous: 617.31

	High	Low	Close	Prev.
Aker A	192.50	188.50	191	191.50
Bergesen Dy A	144	142.50	144	144
Christiania Bk	26	24.80	25	26.10
Den norske Bk	30.40	30	30.20	31
Elkem	108	104.50	105	109.50
Hafslund A	49.80	47	49.80	50
Kvaerner Asa	358	351	353	345
Norsk Hydro	348	346	347	348.50
Norske Skog A	209	206	208	210.50
Nycomed A	112	108.50	111.50	112.50
Orkla Asa A	562	557	562	564
Petm GeoSvc	301	292	293	304
Saga Petm A	118	113.50	116	118.50
Schibsted	136	134	136	136
Transocean Off	380	370	378	375
Storebrand Asa	42	41.20	41.50	42

Paris — CAC-40: 2567.85, Previous: 2562.84

	High	Low	Close	Prev.
Accor	805	790	795	785
AGF	218.50	207	217.90	206
Air Liquide	889	870	874	884
Alcatel Alsth	584	573	575	584
Axa-UAP	382.70	370.50	378	371
Bancaire	718	701	705	709
BIC	958	916	948	925
BNP	254.50	246.50	250.20	249.90
Canal Plus	1118	1099	1108	1105
Carrefour	3469	3426	3444	3480
Casino	262	250.30	250.70	255.50
CCF	274	266.10	269	265
Cetelem	717	680	704	682
Christian Dior	858	833	837	840
CLF-Dexia Fran	536	513	533	508
Credit Agricole	1270	1270	1270	1285
Danone	844	829	835	840
Elf-Aquitaine	542	534	539	545
Eridania BS	900	867	889	866
Eurotunnel	7.10	6.70	6.90	6.70
Gen. Eaux	778	767	776	771
Havas	449.50	436.20	446.70	440.60
Imetal	830	821	827	822
Lafarge	358	351.30	354.30	352.80
Legrand	941	917	940	920
L'Oreal	1988	1956	1958	1967
LVMH	1377	1349	1352	1365
Lyon. Eaux	579	566	569	567
Michelin B	351	345.50	348	348.50
Paribas A	389	379	382.80	387.30
Pernod Ricard	301.50	298	301	299.50
Peugeot Cit	581	570	571	566
Pinault-Print	2349	2290	2326	2324
Promodes	1678	1611	1620	1647
Renault	122	118.30	122	120.40
Rexel	1670	1650	1669	1670
Rh-Poulenc A	198.20	195.50	198.20	194.40
Sanofi	557	544	555	542
Schneider	298.90	293.30	293.50	295.90
SEB	1119	1067	1090	1100
SGS Thomson	382	370	380.90	378
Ste Generale	680	663	677	666
Sodexho	3045	2900	2990	2909
St Gobain	827	792	815	801
Suez	265.90	262.40	265.40	264.80
Synthelabo	573	561	565	564
Thomson CSF	183	180	182	179
Total B	452	443	443.50	451
Usinor	88.10	84.50	87.30	85.60
Valeo	390	382.50	386.30	389

São Paulo — Bovespa index: 88797.90, Previous: 87195.20

	High	Low	Close	Prev.
Bradesco Pfd	9.00	8.840	9.00	9.00
Brahma Pfd	712.02	695.00	712.00	696.00
Cemig Pfd	46.50	46.00	46.50	46.150
CESP Pfd	59.00	58.50	58.70	59.00
Copel	15.30	15.20	15.30	15.27
Eletrobras	460.00	449.00	458.00	452.00
Itaubanco Pfd	563.00	560.00	562.00	562.00
Light Servicios	436.01	418.01	436.00	422.00
Lightpar	323.00	321.00	321.00	325.00
Petrobras Pfd	215.00	207.00	214.00	211.00
Paulista Luz	144.00	142.00	142.20	143.00
Sid Nacional	37.90	37.60	37.70	38.150
Souza Cruz	8.30	8.10	8.30	8.15
Telebras Pfd	103.20	99.15	103.00	100.20
Telemig	153.50	150.00	153.00	151.60
Telerj	159.80	154.00	159.00	159.80
Telesp Pfd	292.00	280.00	292.00	282.40
Unibanco	42.50	40.00	41.50	41.00
Usiminas Pfd	1.28	1.24	1.28	1.26
CVRD Pfd	27.40	26.70	27.40	26.99

Seoul — Composite Index: 676.59, Previous: 686.72

	High	Low	Close	Prev.
Dacom	110000	100000	105000	104000
Daewoo Heavy	5000	4800	4850	4900
Hyundai Eng.	19900	19200	19900	19500
Kia Motors	15800	15300	15300	15600
Korea El Pwr	27600	26900	26900	27100
Korea Exch Bk	6500	6200	6280	6500
Korea Mob Tel	489500	451000	455000	495000
LG Semicon	24800	23000	23800	23600
Pohang Iron St	42000	40600	41100	41100
Samsung Display	44900	43100	43400	43500
Samsung Elec	55700	51500	53800	53000
Shinhan Bank	10800	10600	10700	10800

Singapore — Straits Times: 2233.99, Previous: 2241.28

	High	Low	Close	Prev.
Asia Pac Brew	8	7.90	7.90	8.20
Cerebos Pac	10.20	10.10	10.20	10.10
City Devts	14.30	13.80	13.90	14.50
Cycle Carriage	16.20	16	16.20	16.10
Dairy Farm Int *	0.79	0.78	0.79	0.79
DBS foreign	20.10	18.60	18.70	20.10
DBS Land	5.70	5.45	5.50	5.70
Far East Leving	6.20	6.10	6.15	6.20
Fraser & Neave	12.90	12.70	12.80	12.80
HK Land *	2.95	2.91	2.92	2.91
Jard Matheson *	6.10	6	6.05	6.05
Jard Strategic *	3.28	3.26	3.26	3.26
Keppel	10.60	10.40	10.40	10.50
Keppel Bank	4.30	4.22	4.24	4.26
OCBC foreign	19.30	18.40	18.40	19.50
OS Union Bk F	11.70	11.20	11.50	11.80
Parkway Hdgs	5.85	5.80	5.85	5.95
Sembawang	8	7.80	7.80	8.10
Sing Air foreign	12.90	12.60	12.70	12.90
Sing Land	8.75	8.50	8.55	8.80
Sing Press F	27.50	26.30	26.40	27.50
Sing Tech Ind	3.90	3.82	3.84	3.80
Sing Telecomm	3.32	3.30	3.30	3.34
Straits Steam	5	4.94	5	5.05
Tat Lee Bank	3.70	3.66	3.66	3.72
Utd Industrial	1.28	1.26	1.26	1.28
Utd O'Sea Bk F	16.80	16	16.20	17
Wing Tai Hdgs	4.52	4.38	4.48	4.60

*: in U.S. dollars.

Stockholm — SX 16 index: 2789.95, Previous: 2801.72

	High	Low	Close	Prev.
AGA B	104	103	103	103
ABB A	915	900	902	910
AssiDoman	191	188	191	190.50
Astra A	357	354.50	355	356.50
Atlas Copco A	175	173	173.50	175.50
Autoliv	331.50	328	329.50	330.50
Electrolux B	461	454	460.50	453
Ericsson B	239.50	235.50	236.50	240.50
Hennes B	1050	1000	1038	1006
Incentive A	525	521	523	520
Investor B	335	329	330	334
MoDo B	228	224.50	227.50	225.50
Nordbanken	270	264	265	263
Pharm/Upjohn	280.50	275	279.50	274.50
Sandvik B	194.50	188	188	190.50
Scania B	187	179	179	180.50
SCA B	165.50	158	165.50	159.50
S-E Banken A	83.50	81.50	82.50	82
Skandia Fors	209.50	202	209.50	204.50
Skanska B	346	340	342	339
SKF B	182	180	181	182
Sparbanken A	152.50	147	152	150
Stadshypotek A	189.50	189.50	189.50	189.50
Stora A	100	97.50	99.50	99
Sv Handles A	219.50	214.50	215.50	215
Volvo B	184	181	182	183.50

Sydney — All Ordinaries: 2482.60, Previous: 2475.30

	High	Low	Close	Prev.
Amcor	8.56	8.45	8.55	8.43
ANZ Bkg	8.30	8.20	8.29	8.24
BHP	17.88	17.70	17.77	17.75
Boral	3.65	3.60	3.62	3.61
Brambles Ind.	21.72	21.55	21.70	21.70
CBA	13.28	13.09	13.28	13.10
CC Amatil	12.06	11.95	12	11.80
Coles Myer	5.70	5.54	5.69	5.54
Comalco	6.98	6.75	6.90	6.82
CRA	19.12	19.03	19.09	18.94
CSR	4.69	4.61	4.68	4.66
Fosters Brew	2.69	2.66	2.68	2.69
Goodman Fld	1.59	1.56	1.59	1.56
ICI Australia	12.72	12.65	12.68	12.68
Lend Lease	24.05	23.82	24.05	23.80
MIM Hdgs	1.87	1.82	1.87	1.81
Nat Aust Bank	16.58	16.46	16.55	16.46
Nat Mutual Hdg	1.93	1.88	1.92	1.89
News Corp	6.73	6.67	6.72	6.66
North Ltd	4.22	4.15	4.15	4.22
Pacific Dunlop	3.09	3.07	3.09	3.09
Pioneer Intl	3.97	3.93	3.94	3.95
Pub Broadcast	6.72	6.60	6.64	6.73
St George Bank	8.85	7.90	7.95	8
WMC	8.34	8.26	8.28	8.30
Westpac Bkng	7.57	7.45	7.53	7.48
Woodside Pet	9.22	9.03	9.03	9.24
Woolworths	3.57	3.50	3.51	3.54

Taipei — Stock Market Index: 7908.61, Previous: 7791.19

	High	Low	Close	Prev.
Cathay Life Ins	178	176	178	175
Chang Hwa Bk	172	170	171	169
Chiao Tung Bk	93	87	92	86.50
China Develpmt	114	110	114	107.50
China Steel	25.40	24.80	25.40	25.20
First Bank	180	177	179	176
Formosa Plastic	77.50	72	76.50	73
Hua Nan Bk	144	142	143	141.50
Intl Comm Bk	83.50	82	82.50	81.50
Nan Ya Plastics	69.50	65.50	67.50	66
Shin Kong Life	115	110	113.50	110
Taiwan Semi	64	61	61	63
Tatung	55.50	53	54.50	53
Utd Micro Elec	45	42.80	43.90	43.50
Utd World Chin	70	69	70	69

Tokyo — Nikkei 225: 18896.99, Previous: 19034.54

	High	Low	Close	Prev.
Ajinomoto	1130	1090	1100	1080
All Nippon Air	925	890	906	917
Amway	3830	3810	3830	3820
Asahi Bank	918	884	906	864
Asahi Chem	648	632	640	630
Asahi Glass	1130	1110	1120	1110
Bk Tokyo Mitsu	2120	2060	2080	2040
Bk Yokohama	608	599	602	599
Bridgestone	2190	2120	2130	2110
Canon	2570	2500	2530	2640
Chubu Elec	2090	2060	2090	2050
Chugoku Elec	2060	2030	2040	2030
Dai Nipp Print	2070	2050	2050	2050
Daiei	835	825	831	819
Dai-Ichi Kang	1520	1450	1450	1460
Daiwa Bank	546	523	523	522
Daiwa House	1400	1360	1360	1380
Daiwa Sec	1030	1010	1020	1020
DDI	7700a	7530a	7640a	7590a
Denso	2450	2360	2380	2460
East Japan Ry	5060a	4990a	5020a	5020a
Eisai	2280	2240	2260	2230
Fanuc	3780	3670	3700	3830
Fuji Bank	1620	1550	1570	1490
Fuji Photo	4070	3990	4030	4010
Fujitsu	1220	1190	1210	1220
Hachijuni Bk	1090	1070	1070	1060
Hitachi	1140	1080	1100	1130
Honda Motor	3750	3640	3660	3760
IBJ	1600	1540	1540	1500
IHI	482	474	475	470
Itochu	627	604	617	594
Ito-Yokado	5450	5320	5340	5460
JAL	546	538	541	532
Japan Tobacco	8030a	7900a	7980a	8000a
Jusco	3520	3440	3470	3440
Kajima	719	700	700	708
Kansai Elec	2150	2110	2120	2090
Kao	1350	1330	1340	1340
Kawasaki Hvy	535	514	521	533
Kawa Steel	343	330	336	340
Kinki Nipp Ry	723	719	722	721
Kirin Brewery	1050	1020	1030	1030
Kobe Steel	233	228	230	230
Komatsu	927	901	901	901
Kubota	553	535	547	547
Kyocera	7160	7110	7140	7160
Kyushu Elec	2060	2040	2060	2060
LTCB	460	439	456	431
Marubeni	490	474	480	489
Marui	1920	1880	1910	1910
Matsu Comm	3120	3050	3080	3120
Matsu Elec Ind	1860	1860	1870	1880
Matsu Elec Wk	1030	1010	1010	1020
Mitsubishi	1190	1160	1180	1160
Mitsubishi Ch	356	346	353	343
Mitsubishi El	703	692	698	695
Mitsubishi Est	1470	1430	1440	1450
Mitsubishi Hvy	880	850	861	917
Mitsubishi Mat	911	902	909	902
Mitsubishi Tr	1480	1450	1470	1440
Mitsui	902	895	900	902
Mitsui Fudosn	1380	1330	1340	1360
Mitsui Trust	849	825	830	850
Murata Mfg	4150	4120	4150	4170
NEC	1430	1370	1370	1440
Nikon	1750	1720	1720	1750
Nikko Sec	790	768	779	763
Nintendo	8400	8320	8390	8280
Nipp Express	813	790	793	779
Nippon Oil	529	515	525	509
Nippon Steel	342	335	335	335
Nissan Motor	773	741	752	765
NKK	271	262	264	271
Nomura Sec	1720	1690	1690	1690
NTT	8930b	8710b	8730b	8820b
NTT Data	3260b	3130b	3150b	3260b
Oji Paper	679	666	679	676
Osaka Gas	302	299	299	294
Ricoh	1430	1400	1400	1410
Rohm	8900	8690	8690	8900
Sakura Bk	840	806	807	791
Sankyo	3440	3400	3410	3460
Sanwa Bank	1620	1530	1530	1570
Sanyo Elec	508	495	502	506
Secom	6770	6650	6680	6700
Seibu Rwy	5500	5190	5360	5150
Sekisui Chem	1280	1250	1260	1230
Sekisui House	1130	1100	1110	1110
Seven-Eleven	7480	7200	7290	7430
Sharp	1530	1490	1500	1530
Shikoku El Pwr	2050	2020	2040	2020
Shimizu	788	759	766	779
Shin-etsu Ch	2370	2310	2330	2380
Shiseido	1420	1410	1420	1420
Shizuoka Bk	1110	1080	1100	1070
Softbank	10900	10600	10600	10800
Sony	8710	8570	8580	8750
Sumitomo	940	916	924	924
Sumitomo Bk	1700	1600	1630	1590
Sumit Chem	492	482	488	486
Sumitomo Elec	1690	1670	1670	1690
Sumit Metal	297	292	296	292
Sumit Trust	1170	1120	1130	1120
Taisho Pharm	2830	2770	2800	2760
Takeda Chem	2560	2420	2430	2510
TDK	8140	8000	8060	8040
Tohoku El Pwr	2070	2030	2060	2040
Tokai Bank	1080	1050	1050	1050
Tokio Marine	1220	1190	1200	1230
Tokyo El Pwr	2240	2190	2230	2180
Tokyo Electron	4060	3960	4000	4110
Tokyo Gas	314	303	303	307
Tokyu Corp.	595	585	590	588
Tonen	1260	1240	1250	1260
Toppan Print	1440	1410	1430	1420
Toray Ind	734	712	712	725
Toshiba	725	711	711	725
Tostem	2850	2770	2770	2770
Toyo Trust	870	845	863	845
Toyota Motor	3350	3210	3220	3300
Yamanouchi	2560	2510	2520	2500

a: x 100; b: x 1,000

Toronto — TSE Industrials: 6224.59, Previous: 6226.95

	High	Low	Close	Prev.
Abitibi Price	23.10	22.95	23	23.05
Alberta Energy	29.70	29.20	29.40	29.30
Alcan Alum	49.35	48¾	49	48.70
Anderson Expl	16.55	16¼	16½	16.35
Bk Montreal	48¼	47.40	48.10	47.90
Bk Nova Scotia	51.20	50.30	51.20	51
Barrick Gold	37.40	36.85	37¼	37
BCE	70	69.65	69.95	70
BC Telecomm	30.95	30.55	30¾	30¾
Biochem Pharm	76	72	76	77.40
Bombardier B	26.95	26.45	26.70	26.80
Brascan A	33	31.85	33	31¾
Bre-x Minerals	20.70	19.35	19½	21.20
Cameco	51.30	50.90	51¼	51
CIBC	64.95	64.10	64.85	64.80
Cdn Natl Rail	51.55	51.30	51.55	51.70
Cdn Natl Res	32.90	32½	32.60	32.60
Cdn Occid Pet	23.70	23.30	23.55	23.80
Cdn Pacific	36	35.40	35.60	35.60
Cominco	39	38.55	38.80	39¼
Dofasco	24.80	24.55	24.80	24.55
Domtar	12.30	12	12.30	12.15
Donohue A	26.30	26.05	26.10	26¼
Du Pont Cda A	34	33	33	33
Edper Group	23.35	23¼	23¼	23.30
Euro-Nev Mng	43¾	43	43.05	43
Fairfax Finl	295	292	294	295
Falconbridge	32.10	31.80	31.85	31.95
Fletcher Chall A	23.30	23	23¼	23.40
Franco Nevada	67¾	65¾	65.65	65¼
Gulf Cda Res	10.60	10.35	10.40	10.55
Imperial Oil	63	62	62.85	62.20
Inco	49.65	48.60	49	48.90
IPL Energy	40.95	40.80	40.85	41
Laidlaw B	19	18.55	18.90	18.65
Loewen Group	48	47¾	47½	47¾
Macmill Bld	19¼	19	19	19.30
Magna Intl A	72.90	71.95	72.60	72
Methanex	13.70	13.55	13.55	13.70
Moore	30¼	30	30.10	30
Newbridge Net	45.70	44½	45½	45
Noranda Inc	33¼	33.05	33¼	33.10
Norcen Energy	30.60	29.85	29.85	30.40
Nthern Telecom	101.55	100.35	101.30	101.80
Nova	12.95	12.70	12.90	12.90
Onex	25	24½	25	25.10
Pancdn Petlm	57¼	55	55½	57¼
Petro Cda	20.20	20.05	20.10	20.20
Placer Dome	30.15	29.60	29.70	30.10
Poco Petlm	13½	13.35	13½	13.30
Potash Sask	109.95	108½	109.95	109.45
Renaissance	43.90	43.10	43½	43¼
Rio Algom	33.35	33.05	33¼	33.15
Rogers Cantel B	25.40	24.80	25	25.40
Seagram Co	55.45	54¾	55.30	55.20
Shell Cda A	58¼	57¼	58	57.85
Stone Consold	23.10	22.85	23.05	23.05
Suncor	59.90	59½	59½	58.85
Talisman Eny	45¼	45.40	45¼	45.65
Teck B	33¼	33.30	33½	33½
Teleglobe	40	39½	40	40
Telus	21.85	20.80	20.95	21
Thomson	28½	28¼	28.40	28.30
TorDom Bank	38.20	37.60	38.10	38.05
Transalta	17.20	17.05	17.10	17.15
TransCda Pipe	25.65	25½	25.60	25½
Trimark Finl	43	42.60	42.70	43
Trizec Hahn	31.60	31.35	31½	31½
TVX Gold	12¼	11.95	12.10	12.05
Westcoast Eny	25.60	25.10	25.55	25.20
Weston	75	75	75	75.80

Vienna — ATX index: 1211.80, Previous: 1209.53

	High	Low	Close	Prev.
Boehler-Uddeh	834	821	827.50	827.90
Creditanst Pfd	432	420	432	423
EA-Generali	3380	3350	3380	3400
EVN	1737	1725	1727	1741
Flughafen Wien	590	576	586.50	573.50
OMV	1392.50	1367.30	1368	1383
Oest Elektriz	860	855	857	861
VA Stahl	495	477	480	478.10
VA Tech	1755	1736.50	1747	1755
Wienerberg Bau	2152	2135	2151.50	2145

Wellington — NZSE-40 index: 2388.37, Previous: 2381.53

	High	Low	Close	Prev.
Air N Zeald B	3.88	3.85	3.85	3.90
Brierly Invt	1.36	1.35	1.36	1.35
Carter Holt ord	3.30	3.27	3.27	3.30
Fletch Ch Bldg	4.54	4.50	4.50	4.53
Fletch Ch Eny	4.02	3.95	3.95	4.00
Fletch Ch Forst	2.20	2.19	2.19	2.20
Fletch Ch Paper	2.96	2.93	2.94	2.93
Lion Nathan	3.57	3.56	3.56	3.58
Telecom NZ	6.75	6.62	6.70	6.60
Wilson Horton	11.10	11.10	11.10	11.10

Zurich — SPI index: 2837.80, Previous: 2871.24

	High	Low	Close	Prev.
ABB B	1812	1790	1808	1811
Adecco B	454	447	448	455
Alusuisse R	1196	1186	1187	1203
Ares-Serono B	1495	1465	1495	1475
Atel R	N.T.	N.T.	N.T.	870
Baer Hdg B	1592	1575	1580	1582
Baloise Hdg R	2905	2860	2905	2890
BK Vision	842	829	830	845
Clariant R	712	697	704	714
Crd Suisse Gp R	153.75	151.25	151.75	154.50
Elektrowatt B	532	528	530	539
Ems-Chemie	5750	5660	5720	5775
ESEC Hdg	4860	4780	4850	4895
Holderbank B	1098	1086	1094	1099
Liechtenst LB B	459	457	457	460
Nestle R	1609	1595	1601	1616
Novartis R	1779	1752	1761	1792
Oerlikon Buehr R	143	141	141	143
Pargesa Hld B	1510	1495	1500	1520
PharmVisn B	751	736	738	752
Richemont A	2090	2076	2076	2090
Pirelli PC	203	200	203	203
Roche Hdg PC	12660	12200	12510	12735
SBC R	276	273.50	274.50	277
Schindler PC	1420	1390	1405	1410
SGS B	3325	3250	3300	3340
SMH B	934	925	929	935
Sulzer R	954	936	937	952
Swiss Reins R	1517	1503	1515	1520
Swissair R	1298	1271	1291	1294
UBS B	1289	1271	1280	1298
Winterthur R	892	860	887	898
Zurich Assur R	429.50	424.50	426.50	436.50

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	153.76	+0.51	+0.33	+16.60
Regional Indexes				
Asia/Pacific	115.43	-0.13	-0.11	-14.03
Europe	159.83	-0.74	-0.46	+14.84
N. America	179.54	+2.09	+1.18	+39.96
S. America	140.90	+1.80	+1.29	+58.24
Industrial Indexes				
Capital goods	176.63	+0.74	+0.42	+32.92
Consumer goods	174.74	+1.16	+0.67	+26.56
Energy	176.79	-0.08	-0.05	+30.36
Finance	116.02	+0.60	+0.52	-8.81
Miscellaneous	158.36	-3.57	-2.20	+16.60
Raw Materials	183.94	+1.26	+0.69	+29.72
Service	143.26	+1.41	+0.99	+19.38
Utilities	133.24	+0.69	+0.52	+4.80

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. *Compiled by Bloomberg News.*

NYSE

Monday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

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THE WORLD'S DAILY NEWSPAPER

Continued on Page 16

Korean Air Posts First Loss Ever

Won's Drop in 1996 Added to Fuel Costs

Compiled by Our Staff From Dispatches

SEOUL — Korean Air announced on Monday its first annual loss in its 34-year history, as rising fuel costs in 1996 were compounded by the slump of the won against the dollar.

The flagship carrier posted a net loss of 210 billion won ($245.6 million), compared with a net profit of 105.9 billion won in 1995.

Sales rose 8 percent, to 3.67 trillion won. But the cargo load factor — Korean Air is the world's third-largest cargo carrier — fell to 74.4 percent from 75.2 percent in 1995.

Analysts said the airline should return to profitability this year, due to increased overseas travel by Koreans, higher fares at the rival carrier Asiana Air Inc. and falling fuel prices.

"We're seeing the worst for Korean Air," said S.C. Kim of Hanjin Investment & Securities. "Its earnings will rebound as fuel prices and foreign exchange losses recover."

"Korean Air's net profit is likely to jump to 127 billion won in 1998 after dismal 1996 results," said Za-yong Koo of Dresdner Kleinwort Benson Securities Co.

Jet fuel prices have already fallen below $29 a barrel, down from $35 two months ago, he said, predicting a price of about $23 by year's end.

Fuel costs, which made up about 16 percent of operating expenses, rose as much as 30 percent last year, and Korean Air pays dollars for four-fifths of its fuel.

The won fell 8.5 percent against the dollar in 1996, inflating the company's dollar-denominated debt.

Profits were also pressed by high depreciation charges, as the carrier wrote off aircraft costs over a shorter time period than many airlines.

Nonetheless, the airline said Monday that it had received government approval to import 41 new aircraft by 2000. It has already signed contracts with Boeing Co., for three 747-400s and two 777s, and with Airbus Industrie, for two A-330s.

"These purchases shouldn't make depreciation charges jump, since it will be a gradual process," a spokesman said. *(Bloomberg, AFP)*

U.S.-Taiwan 'Open Skies' Deal Near

Bloomberg News

TAIPEI — Taiwan and the United States expect to sign an "open skies" agreement this week, paving the way for unrestricted flights between the two countries, a Taiwan aviation regulator said Monday.

The draft would clear the way for a treaty to lift restrictions on how many flights airlines make, how often they fly and how much they charge.

Talks in Washington this week are expected to lead to a draft agreement, clearing the way for unrestricted flights between the two countries.

Tsai Tuei, the director of Taiwan's Civil Aeronautics Administration, was due in Washington for talks on Wednesday and Thursday, said an official of the administration. The two sides are expected to sign a draft agreement afterward, the official said.

The accord, the third in Asia for the United States, would reduce costs for U.S. carriers such as United Airlines and boost revenues for Taiwan's main international airlines, China Airlines and Eva Airways.

For consumers, it may become easier to get seats on routes that are often filled during peak season.

For Taiwan carriers, "revenues will surge," said Jerry Cheng, a transportation industry analyst for Jardine Fleming Taiwan Securities Ltd.

Each additional U.S.-Taiwan flight would boost sales for Taiwan carriers by more than 1 billion Taiwan dollars ($36.2 million) a year, he said.

The agreement would be part of Washington's effort to open Pacific Rim destinations for U.S. carriers. Washington has already signed similar accords with Singapore and Brunei and has 12 others with European nations.

The latest agreement would help United Airlines, Northwest Airlines and Continental Micronesia — all of which fly to Taipei — reduce their costs, the official of the Taiwan aeronautics authority said. The agreement would let these carriers share flights with other foreign airlines, the official said.

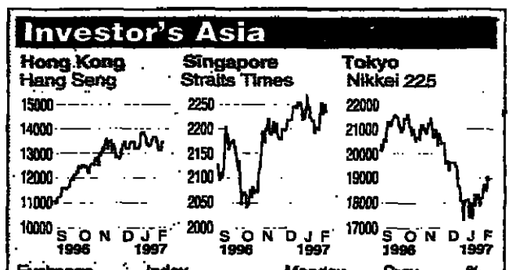
It also may be good news for China Airlines and Eva, which already fly to seven U.S. cities, including New York and Los Angeles. They would now be able to fly to more cities.

How profitable those new routes may be is a big question, analysts said. Profit margins on U.S. routes may be squeezed from a current 10 percent if airlines start flying more, said a China Airlines spokesman, Steve Yang.

"Prices are already too low," he said. "We won't open a new flight unless there's money to earn."

Local carriers will also be able to extend their U.S.-bound flights without restrictions in Europe and Latin America, the Taiwan official said.

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,375.89	13,444.85	-0.51
Singapore	Straits Times	2,233.99	2,241.28	-0.33
Sydney	All Ordinaries	2,482.60	2,475.30	+0.29
Tokyo	Nikkei 225	18,896.99	19,034.54	-0.72
Kuala Lumpur	Composite	1,264.90	1,262.86	+0.16
Bangkok	SET	742.08	747.70	-0.75
Seoul	Composite Index	676.59	681.24	-0.68
Taipei	Stock Market Index	7,908.81	7,739.84	+2.18
Manila	PSE	3,338.67	3,301.98	+1.11
Jakarta	Composite Index	696.03	696.50	-0.07
Wellington	NZSE-40	2,308.37	2,301.53	+0.30
Bombay	Sensitive Index	3,358.47	3,439.49	-2.36

Source: Telekurs International Herald Tribune

LG Electronics' Profit Tumbles 18%

Exchange Rate Losses and Price Cuts Hurt South Korean Firm

Bloomberg News

SEOUL — LG Electronics Co., South Korea's second-largest electronics manufacturer, said Monday that net profit fell 18 percent last year because of foreign exchange losses and price cuts introduced in order to compete with rivals.

The company said its net profit for the year ended in December fell to 64.8 billion won ($76.2 million) from 79.2 billion won for the previous year. That had included a one-time gain of 70 billion won from the sale of stakes in its subsidiaries LG Information & Communications Ltd. and Dacom Corp.

LG Electronics is the first of Korea's electronics producers to report 1996 earnings. These companies, which also include Samsung Electronics Co. and Daewoo Electronics Co., are suffering at home and abroad because of domestic competition and a weakening yen that makes Japanese consumer electronics exports cheaper.

LG's profit was decreased by a foreign exchange loss of 68 billion won as the South Korean currency fell 8.5 percent against the dollar. That cut LG's recurring profit 89 percent, to 12.9 billion won, as the value of the company's dollar-denominated debt swelled.

LG's foreign exchange loss should shrink this year as the Korean government moves to stem the won's fall, which has hurt corporate earnings and inflated consumer prices.

Analysts said LG's cost-cutting program is also starting to show results and to boost profit margins.

Home appliances account for 6 percent of South Korea's exports and more than half of LG Electronics' sales.

Last year, prices of electronics produced domestically were cut by 5 to 10 percent on average because of "a serious price war," said Oh Joon Young, an electronics analyst at Dongbang Peregrine Securities Co.

"This year, the domestic electronics market will continue to be bad," Mr. Oh said.

Japan Car Sales Expected to Fall

Bloomberg News

TOKYO — A Japanese auto dealers' group said Monday a rise in the consumption tax and a sluggish economy would probably cut sales by nearly 3 percent this year.

"The economy is very slow now," said Keishin Kato, head of the Japan Automobile Dealers Association. "There's a chance it could get worse."

The increase in the consumption tax to 5 percent from 3 percent on April 1 is expected to trim auto sales by 270,000 through the end of the year, Mr. Kato said.

■ Samsung Opts for Malaysia

Samsung Electronics Co., the world's largest producer of memory chips, has opened its largest overseas manufacturing facility in Seremban, Malaysia, in an effort to increase earnings by cutting costs, Bloomberg News reported.

The company has invested $900 million in its Malaysian plants, which accounts for 60 percent of all South Korean investment in the country, said Yun Jong Yong, president and chief executive of Samsung Electronics.

Samsung's Seremban complex will produce 1.8 million monitors, 12 million tubes for televisions and monitors, and 18 million glass bulbs a year.

The complex buys 81 percent of its raw materials and components in Malaysia.

New Setback For Vietnam Oil Refinery

Reuters

TAIPEI — Chinese Petroleum Corp. is considering withdrawing from plans to invest in a $1.6 billion refinery project in Vietnam due to the likelihood of a low return, executives said Monday.

"Chinese Petroleum reviewed the Vietnam refinery project and is likely to stop the plan due to its low investment return," a company official said.

The Taiwan state oil company sought a 15 percent return, but a company review showed an expected return of less than half that, the official said.

The French oil company Total SA withdrew from the project in 1995, calling it economically nonviable.

According to current plans, Chinese Petroleum and Chinese Investment Development Corp. would together take a 10 percent stake in Vietnam's first oil refinery, which is located in Quang Ngai Province.

Other partners are PetroVietnam, with 30 percent; South Korea's LG Group with 27 percent; Stone & Webster with 3 percent, and Petronas of Malaysia and Conoco Inc., which would share a 30 percent stake equally.

Very briefly:

• **Yoshitomi Pharmaceutical Industries Ltd.** will buy **Green Cross Corp.** on Oct. 1 in a stock swap valued at about $900 million. Green Cross agreed in March 1996 to an out-of-court settlement, along with four other companies and the Japanese government, to compensate victims of HIV-tainted blood products.

• **Taiwan's** unemployment rate rose unexpectedly in January, to 2.68 percent from 2.60 percent in December.

• **South Korean** opposition parties presented revised labor rules to replace controversial legislation forced through Parliament in December, as labor unions prepared for a wave of strikes. Union leaders called the opposition proposals "partly acceptable."

• **Japan** plans to allow contractors to build larger condominiums in certain urban areas in a move to lower prices.

• **Kokusai Denshin Denwa Co.**, Japan's leading international telephone carrier, saw its shares drop 180 yen ($1.47), or 2 percent, to 7,550 yen, after the Nihon Keizai Shimbun predicted the company would report a sharp drop in earnings for the year to March. *Bloomberg, AFP*

Sumitomo Ex-Trader Freed on Bail

Compiled by Our Staff From Dispatches

TOKYO — Yasuo Hamanaka, the former chief copper trader at Sumitomo Corp. who has admitted to fraud and forgery, was freed Monday on bail of 50 million yen ($406,000).

His lawyer, Hidesato Sekine, said relatives had posted the bail, allowing Mr. Hamanaka to leave the Tokyo Detention Center, where he had been held since his arrest on Oct. 22. Mr. Hamanaka refused to comment as he walked out of the center.

He pleaded guilty on Feb. 17, the first day of his trial, in connection with trades over a decade that cost Sumitomo $2.6 billion. He is due back in court on March 10. *(Reuters, AFP)*

PIXAR: *Cashing In on Animated Films*

Continued from Page 11

far too primitive to make a full-length movie. So for years, Pixar tried to earn its way by selling computer work stations and software used for digitally enhancing images.

That business strategy was mostly a failure, and Pixar chewed up $50 million of Mr. Jobs's money. Yet all along, he funded a small, backroom group at Pixar that made a series of critically acclaimed computer-animated short films, like "Tin Toy," which won an Oscar in 1988.

The short films, and Pixar's technology, attracted the attention of Disney, and the two companies began working together. In 1991, Disney threw the struggling startup a lifeline, when Pixar signed a three-movie deal with Disney — "Toy Story" was the first.

Pixar is hard at work these days on its second movie for Disney, codenamed "Bugs," which is scheduled to be released for the 1998 holiday season. Story development on the third film, unnamed as yet, has begun.

The fledgling studio is growing rapidly with a payroll of 300 people, twice the size of two years ago. Pixar recently reported impressive financial results for 1996, its first complete year as a public company. Revenues tripled to $38 million, as profit jumped 16-fold, to $25 million.

Still, investors are not yet impressed.

The company's shares jumped $3.25 to $17.375 in afternoon trading Monday as investors were optimistic that Pixar will be able to sweeten its deal with Disney, but that compares with a close of $39 on its first day of trading, Nov. 29, 1995.

The early enthusiasm evaporated as investors focused on two things: First, Pixar's financial performance will be cyclical, rising with hit movies and falling until the next one. Second, under the current three-movie contract, Disney collects nearly all the profits.

In the current contract, Disney supplies funding, story advice, marketing and distribution for the films. For its contribution, Pixar receives 10 percent to 15 percent of the total profits from the box office, video sales, computer games and merchandising revenues.

Looking at Pixar's share price, Mr. Jobs says investors are being shortsighted. His company, he says, is building a long-term asset of considerable value. "It isn't going to happen with one film or two but we have a shot at building the second great animation studio after Disney," he said. Mr. Jobs has been pushing to get Pixar 30 percent to 40 percent of the profits from future films, and perhaps even sweeten the current contract.

11 Korea Firms Face Audits on Links to Hanbo

Compiled by Our Staff From Dispatches

SEOUL — The Finance and Economy Ministry said Monday it would conduct audits of 11 nonbanking financial institutions that would determine whether any of them was implicated in the loans-for-kickbacks scandal involving the Hanbo Group.

The audits will start March 3, a ministry official said.

Concerns that the Hanbo affair could flare up again weighed on the market. The benchmark Korea composite index fell 4.65 points on Monday to 676.59. Shares also came under pressure from higher interest rates.

Five leasing firms are to undergo regular audits, the ministry said. They are Korea Industrial Leasing Co., Korea Development Leasing Corp., First Citicorp Leasing Inc., Hanil Leasing Co. and Kookmin Leasing Co. The other institutions are Hyundai International Merchant Bank, Saehan Merchant Banking Corp., Korea Merchant Banking Corp., First Merchant Banking Corp., Hansol Merchant Bank and Hangil Merchant Banking Corp. *(AFP, Reuters)*

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Herald International Tribune
SPORTS
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WORLD ROUNDUP

Matt Bjorkmann-Lehtikuva/Reuters

Stefania Belmondo could only bear to look with one eye as she awaited a photo finish verdict.

Vialbe Wins 2d Gold

NORDIC SKIING Yelena Vialbe of Russia beat Stefania Belmondo of Italy in a photo finish to win her second gold of the world championships in Monday's 10-kilometer freestyle pursuit cross-country race. Vialbe crossed the line a few inches ahead of the Italian.

Bjorn Daehlie delighted home fans by earning Norway's first gold with a victory in the 10-kilometer, classical race in 23 minutes 41.8 seconds, 27.9 seconds ahead of Alexei Prokurorov. *(Reuters)*

Sluman Wins 2d Title

GOLF Jeff Sluman captured the $234,000 Tucson Classic by a single stroke over U.S. Open champion Steve Jones for his second career victory. Sluman, who won the 1988 PGA title, shot five-under-par 67 Sunday for a 13-under total of 275. *(AP, Reuters)*

Chang Beats Woodbridge

TENNIS Michael Chang won the $825,000 St. Jude tournament in Memphis on Sunday, beating Todd Woodbridge, 6-3 6-4, in the final. • Lindsay Davenport beat Lisa Raymond, 6-4 6-2, in the final of the $164,250 IGA Classic in Oklahoma City. *(Reuters)*

Gordon First Again

NASCAR Jeff Gordon passed Dale Jarrett with 43 laps to go for an easy victory Sunday in the Goodwrench Service 400, giving him victories in the first two races this season. *(AP)*

Softball Player Dies

A 17-year-old high school softball player who shot herself in the head last week is dead.

Melissa Chambliss, a senior at First Coast High, in Jacksonville, Florida, was despondent after playing poorly at a softball tryout last week at a local community college, the police said. She shot herself on the First Coast softball field Thursday with a pistol during a dispute with her coach. *(AP)*

Ottey Stays Young Racing Against Time

By Ian Thomsen
International Herald Tribune

BIRMINGHAM, England — Merlene Ottey of Jamaica has been running with the world's fastest women for 17 years. Starting with her Olympic debut at Moscow in 1980, she has sprinted clean through the Soviet Union and into the era of capitalist Russia. She has run across five American presidential elections. She has turned the 100 meter dash into a contest of endurance.

She has done what all of the cremes, drugs, Chinese herbs, hair tonics and vitamins around the world have failed to do. She has achieved constant youth.

Not that it has been easy. Last month in Germany, Ottey unveiled her own line of personally designed athletic wear, a career option that no track athlete ever could have envisioned when Ottey broke into the world Top 10 in 1980. In those days the sport was supposedly amateur. These days Ottey is a millionaire, as if the odometer of her career is preceded by a dollar-sign.

Her fashion tour consisted of six German cities in a long week. Each show started at 7 P.M. and lasted until 2 or 3 in the morning. It meant publicity interviews, constant smiling, shedding clothes backstage as fast as she runs and then dancing back down the catwalk, to the music she had selected, with 16 younger models. At 10 the next morning she was on her way to the next city and another show that night. She is 36 years old.

"It almost killed me," she said. "After one week my quads went, I couldn't walk. All that dancing is like a marathon for me. I'm used to sprinting for 10 seconds or 21 seconds and then it's over. This dancing went on for hours."

By the tour's end she was wondering whether her sprinting career might be finished. She was exhausted, flu-ridden, and her first event of the year was waiting for her in a few weeks. On Sunday Ottey showed up for her season debut at the Ricoh Tour Final, the last of four major indoor meets in Europe this year. Despite a hesitant start she finished second in the 60 meters at 7.10 seconds, just one one-hundredth of a second behind Christy Opara-Thompson of Nigeria, who is Ottey's junior by a decade.

It was enough to persuade Ottey to try to defend her 60-meter title at the World Indoor Championships in two weeks at Paris. She refused to predict whether she would appear at Athens in August for the larger outdoor World Championships. She admits that her health, her resolve or her speed could give out at any moment.

"I've been talking about retiring since 1984, so it's best that I shut up about it," she said.

Ottey, who turns 37 in May, was born 38 days after her fellow Jamaican, Linford Christie, who emigrated to England with his family. They have been training together this winter and will meet in South Africa for more work before the outdoor season. She said Christie has not quite yet decided to retire.

"I like to be around people who love the sport and who like to train," she said. "It's good for me to train with him, especially when I need somebody to really push me. He has more faith in me than I have in myself. He was telling me I could win the gold medal in Atlanta and I said, 'Impossible.' He thinks I can still do better than I'm doing now."

For all of Ottey's successes — 26 medals from the Olympics (7), the outdoor (13) and the indoor (6) world championships, the largest collection in the history of the sport — she is most famous, and perhaps most loved, for her disappointments. She has won two individual gold medals at the outdoor world championship and none at the Olympics.

In 1993 she believed she deserved better than a world championship silver medal in her 100-meter photo finish with Gail Devers. As a result, Ottey might have felt justice had been served when, at the world championships two years later, she was awarded the 200-meters gold medal after the unofficial American winner, Gwen Torrence, was disqualified for running out of her lane.

Last summer Ottey lost another photo-finish decision to Devers, this time in the Olympic 100 meters. Ottey still believes her torso crossed the line first, and she wishes that her Jamaican federation had protested more vociferously on her behalf; after all, Ottey is also an official ambassador of the Jamaican government. Nonetheless, she tried to forget about all of that and celebrate her first Olympic silver medal. She returned to her room that night and turned on the TV to see a replay of her medal ceremony, the worst indignity of all — she said that the American TV network, in its abominable parochialism, was showing only the Americans Devers and Torrence on the medal stand.

"All you could see was my hair sticking out in the corner of the screen," said Ottey on her last night in Atlanta. "I'm leaving this country tomorrow on the Concorde and I tell you I can't wait."

That outburst was atypical. If the years are starting to threaten her speed, they have also taught her to relax. After more than a decade of suffering with pressure, she happily refers to herself as the underdog.

"People were always saying, 'This is it, you have to win this one,' and I used to miss hearing the gun because I am thinking too much," she said. "Now I don't have to win. I know at this stage in my career that I can possibly lose, and I can possibly win, and it's a good thing to know. I'm 16 of 17 years older than some of them. I feel honored that I can still race against these people."

And most of them are probably scared to death of her.

David Jones/Agence France-Presse

Merlene Ottey sprinting to second in the 60 meters in Birmingham.

Peter Wilkinson/Reuters

Tulio of Corinthians, left, battling for the ball with Valber of Sao Paulo. Tulio scored both Corinthians goals in a 2-2 tie. Sao Paulo leads Group 2 in the Sao Paulo state championship; Corinthians are second.

Goalie Chilavert Scores Again for Velez

Compiled by Our Staff From Dispatches

Jose Luis Chilavert, the Velez Sarsfield goalkeeper, celebrated the opening day of the Argentine *clausura* championship by scoring from a penalty in his team's game with Newell's Old Boys on Sunday. The Paraguayan international sent his opposite number, Cristian Cejas, the wrong way in the 23d minute to score his 12th goal for the club. Velez, however, let two points slip when Julio Saldana scored four minutes from time to earn Newell's a 1-1 tie.

Boca Juniors, playing their first league game since Hector Vieira took over as coach, beat Estudiantes 2-1.

The championship is the second of two tournaments played in the Argentine season.

ITALY Sven Goran Eriksson, a coach from Sweden, said Monday he would not be joining Blackburn in the English Premier League and would coach in Italy next season. Eriksson, who coaches Sampdoria of Genoa, did not name his new team, which is widely expected to be Lazio of Rome.

Eriksson said Blackburn officials had agreed to break a three-year pre-contract he signed in December.

Sampdoria is second in Serie A; Lazio has already fired coach Zdenek Zeman.

• Doctors decided Monday to operate at once on Edgar Davids, Milan's midfielder, who broke his leg in two places against Perugia on Sunday. The leg swelled overnight.

SOCCER ROUNDUP

Italian Pros Take Malaysia Stage, 1-2-3

International Herald Tribune

GENTING HIGHLANDS, Malaysia — This was the day in Le Tour de Langkawi bicycle race that everybody knew would separate the cream from the milk, the wheat from the chaff, the professionals from the amateurs. And so it was.

Riders from the MG team from Italy, one of the world's best, finished one-two-three Monday in the sixth of 12 daily stages, 71 kilometers (44 miles) mainly uphill from Bukit Kiara to the chilly and rainy resort-theme park of Genting Highlands. Professionals took the first five places and seven of the first 10.

The winner by one minute 19 seconds in an overall time of 2:19.04 was Luca Scinto, who attacked with a Post Swiss rider, Richard Chassot, with 20 kilometers to go and a nearby sign indicating that the road grade was 9 percent. On stretches of the 18-kilometer ascent where the grade reached 17 percent, Chassot was left behind.

Scinto rode smoothly to victory. He said later that over the final 10 kilometers, "the first eight were very painful and the last two were hell."

His teammates Paolo Bettini and Nicola Loda were second and third.

Scinto donned the overall leader's yellow jersey, followed by Loda and then Bettini, nearly two minutes behind. Any of them will be difficult to deny the final victory Sunday, when the race concludes on the island of Langkawi.

The highest-placed amateurs in the stage were Andrei Mizourov of the fine Kazakstan team, in sixth place, and his teammate, Sergei Lavrenenko, in seventh.

In the field of 125 finishers, the bottom ranks were filled with amateurs from such cycling nonpowers as Indonesia, China, Finland, Japan, Malaysia, New Zealand, Norway, the Philippines and South Korea.

That mattered very little to them. Winning, even placing well, is not why they are competing in Le Tour de Langkawi.

"We're here to learn," said Jean-Paul Van Poppel, the coach of the Tegel-Toko amateur team from the Netherlands. "We're here for the experience. And to have a good preparation for the season in Europe."

Van Poppel knows all about racing in Europe: An outstanding sprinter, he won nine stages in the Tour de France and, in 1987, the green points jersey there. He retired two years ago at 32 and now directs what he described Monday as "the youngest team in the race, a very young team — 18, 19, 20, 21, 22 and one rider of 26."

And his riders are learning. "I've told them before what real racing is like, but now they feel it in their legs," he said. "They're finding out they can do it, stay with the best."

Norm Alvis of the Saturn team from the United States also praised the benefits of a higher level of competition.

"I first rode with the Chinese team at the end of 1995 in the Tour of China," he said, "and they have significantly improved. They're a lot stronger than I've seen them before and they're doing a really good job here. They've been exposed to a new level of racing."

In its inaugural last year, Le Tour de Langkawi attracted only a minor professional team from Australia, not the MGs, Mapeis and Casinos of this year. An informal poll before the start of the stage Monday showed that riders from many national amateur teams feel they are gaining from the upgrading.

Tonton Susanto of the Indonesian team said: "I'm trying to learn from the professionals. They have much to teach us." Yuyin Bao of the Chinese team agreed, saying, "I'm getting very good experience, learning teamwork from watching."

"The professionals are friendly and I'm learning from them," said Ariel Quirimit of the Filipino team. And Andrei Kivilev of the Kazakstan team said, "It's been good, the professionals are friendly."

Pretty friendly, anyway. "Some Italians were giving a Kazakstan guy some grief yesterday," reported Alvis of Saturn. "But that's usual," he explained. "Kazakstan is amateur but very good, so it's not unnatural to gang up on them and try to intimidate them."

There are no such problems at the South Korean team, said its coach, Chung Tae Yoon. On the other hand, Kazakstan did place two riders in the top 10 on Monday, and South Korea's best showing was 40th.

Ric Reid, a rider for New Zealand, another small team, agreed with the Koreans: "The professionals are treating us very well, no problems."

No slagging at all?

"Well," he said, "most of the professionals are Italians and it's quite hard to understand them. But I haven't heard any abuse."

There's not even sign language?

"I haven't recognized any and I'm sure I would," Reid said. "Italian hand gestures go a long way."

Cycling / SAMUEL ABT

Ducks Down Canucks in Scramble for Playoff

Compiled by Our Staff From Dispatches

With three minutes to go, the score was tied in a game heavy with playoff-race drama for the Anaheim Mighty Ducks and the Vancouver Canucks.

When the game ended, Anaheim had won, 5-2, sweeping two crucial weekend games from Vancouver and winning two in a row for the first time in six weeks. It was also the Ducks' eighth victory in the last nine games at home.

The Ducks dived and scrapped to gain a victory that tied them with Vancouver for ninth place, one point behind Calgary for the final playoff spot in the Western Conference.

Teemu Selanne scored a spectacular sprawling goal with his skates knocked out from under him with 2:41 left. That broke a 2-2 tie.

Less than a minute later, Kevin Todd broke the tension that remained by scoring for Anaheim off a pass from Jari Kurri. It was Todd's first goal since Dec. 1, a span of 27 games.

"It was a big relief," said Todd, who had a dollar bill taped to the handle of his stick — a bit of encouragement from his wife, Dana. "She told me to wrap it up and put it in my hand, kind of to take my mind off" the game, he said.

The Ducks got another goal with 55 seconds left, when Paul Kariya put the puck into an empty net — his second goal of the game and his 30th in 48 games this season.

Bret Hedican, a Vancouver defenseman, gave the Canucks a 1-0 lead before Kurri tied the score in the second period. Then Kariya sprinted in alone and rifled a shot past Vancouver's goaltender, Kirk McLean, for a 2-1 lead.

The Canucks tied the score, 2-2, late in the second on a goal by Mike Ridley.

Sabres 5, Bruins 1 Buffalo is the latest team to mount an impressive run in this National Hockey League season.

The Sabres' victory over Boston extended its unbeaten streak to 12, the longest by a Buffalo team since 1984.

Other teams with long unbeaten streaks this season include the Philadelphia Flyers with 17 straight, the Pittsburgh Penguins (14), the New Jersey Devils (13) and the Colorado Avalanche (12).

The point-scoring streak by the Bruins' Adam Oates was snapped at 20 games.

Islanders 4, Penguins 1 Tommy Salo stopped 27 shots, and the Islanders scored two goals on power plays to hand the visiting Penguins their sixth loss in seven games.

Lightning 4, Sharks 3 In Tampa, Brantt Myhres scored for the first time in 30 games, completing Tampa Bay's comeback from a three-goal deficit.

"It was unbelievably exciting," Myhres said. "I think every kid dreams about getting a goal like that."

Stars 6, Oilers 1 Sergei Zubov and Joe Nieuwendyk each scored twice, and Mike Modano had a goal and three assists as Dallas beat visiting Edmonton. Modano started a four-goal third period for Dallas with his 26th of the season at 3:44.

Flames 5, Blues 3 In St. Louis, Robert Reichel and Steve Chiasson scored in the third period as Calgary recovered from a two-goal deficit to beat the Blues. Calgary took advantage of some shaky goaltending by Jon Casey, making his first start in 11 games.

Flyers 2, Rangers 1 In Philadelphia, goaltender Garth Snow only had to make 14 saves in extending his unbeaten streak to 14 games as the Flyers beat New York.

Avalanche 4, Senators 3 In Denver, Claude Lemieux, Scott Young and Sandis Ozolinsh scored in the final six minutes as the Avalanche came back from a two-goal third-period deficit to beat the Senators.

It was the third straight comeback victory for Colorado. *(LAT, AP)*

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SPORTS

Knicks Beat Lakers in 2d OT

Ewing Makes an Emotional Rescue With 34 Points

Compiled by Our Staff From Dispatches

Patrick Ewing swatted away Eddie Jones's shot in the lane and moments later raised his arms in triumph as he left the floor. He was physically drained and emotionally charged at the same time. It was a sensation his teammates shared.

The Knicks had nearly lost a game they should have won, and then came back to win a game they should have lost.

Ewing scored 10 of his season-high 34 points in the second overtime and blocked Jones's shot with 24.5 seconds remaining to carry the Knicks to a 127-121 victory over the Lakers on Sunday at the Great Western Forum.

"Twice in overtime, we fell apart and came back," said Jeff Van Gundy, the Knicks coach.

For Los Angeles, Elden Campbell was awesome in the absence of the injured Shaquille O'Neal. Campbell scored a career-high 40 points before he fouled out with 1 minute 14 seconds remaining in the second overtime. The foul occurred when he collided with Ewing, who had dribbled to his right for a running hook in the lane before somehow banking the ball off the glass.

Ewing made the free throw for a 124-121 Knicks lead, crushing a comeback by the Lakers. He finished with five blocked shots and 25 rebounds.

The Knicks led by six points with 29.8 seconds remaining before missing four of eight free throws.

Byron Scott made two implausible jump shots to bring the Lakers within two points. Then the Knicks' John Starks added to the pandemonium, missing two free throws with 10.4 seconds remaining.

The Lakers thrust the ball upcourt to Jones, who lost it in midair while trying to go over Ewing. Campbell calmly picked up the loose ball in the lane and put it in with his left hand uncontested.

The first overtime swung back and forth, until Campbell suddenly found himself alone with the basketball driving along the left baseline. He had blown past Ewing and could not believe his eyes: an open layup with the game tied. Using his right hand — he is left-handed — he put the ball up meekly. It crawled up to the rim. Sat there for a second, and fell off as the buzzer sounded.

NBA Roundup

Heat 95, Nuggets 86 Isaac Austin scored 15 points to lead a balanced attack as Miami won its first game since Alonzo Mourning was injured.

Mourning tore a tendon in his right foot Friday and is expected to be sidelined for about six weeks. He cheered from the bench for his teammates, who with 27 games remaining matched the team record for victories — 42 — set in 1994 and tied last year.

LaPhonso Ellis scored 29 points for the hapless Nuggets, who lost the final four games in a six-game road swing.

SuperSonics 88, Jazz 87 Gary Payton scored nine of his 28 points in overtime as Seattle snapped Utah's seven-game winning streak and 13-game home winning streak. The Sonics won despite one of the worst games of Shawn Kemp's career. He scored just three points on 1-for-8 shooting in 35 minutes and fouled out early in overtime.

Magic 99, Pacers 90 In Indianapolis, Orlando spoiled Mark Jackson's homecoming. Jackson had 13 points and seven assists in his first game back with the Pacers after being traded from Denver as part of a six-player deal.

Nets 109, Celtics 93 Kendall Gill scored 24 points and Sam Cassell scored 20 as New Jersey handed visiting Boston its 10th straight loss. The win was the first for New Jersey since its nine-player trade with Dallas on Monday, a deal that brought Cassell to the Nets.

Cavaliers 91, Grizzlies 84 In Vancouver, Bobby Phills scored 19 of his 23 points in the second half as Cleveland overcame a 10-point deficit in the fourth quarter.

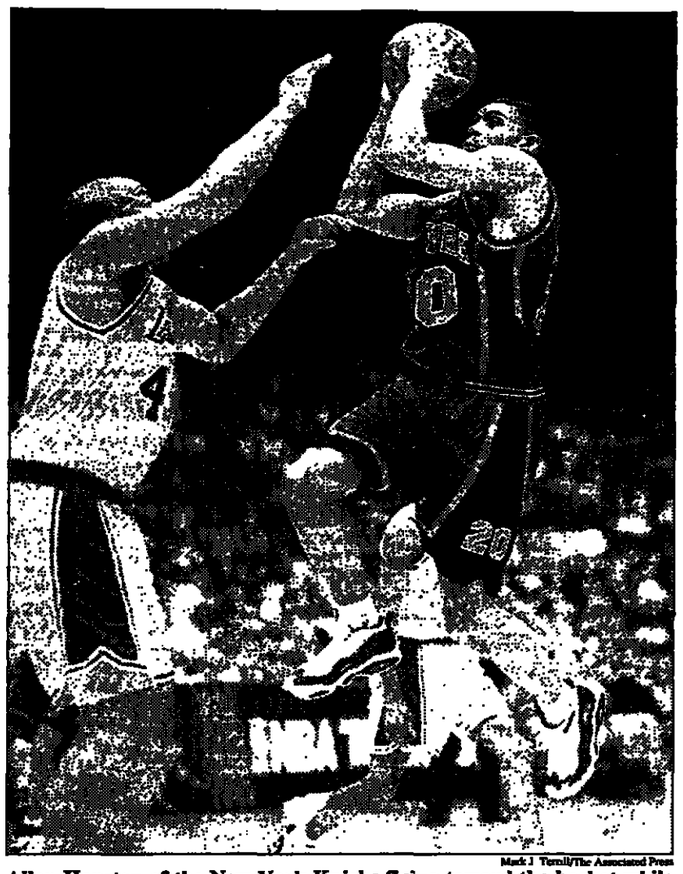
Clippers 99, Bucks 86 Lamond Murray and Malik Sealy keyed a 12-point fourth-quarter run as the Los Angeles Clippers snapped a seven-game road losing streak.

Rockets 95, Spurs 88 In Houston, Hakeem Olajuwon scored 11 of his 21 points in the fourth quarter for Houston, which led by 11 points at halftime and coasted in the second half.

Pistons 85, Bullets 79 Terry Mills had 14 points and 14 rebounds as visiting Detroit won its sixth straight. Chris Webber, returning from a five-game absence with back spasms, scored 19 for the Bullets, who have lost nine of 11.

Mavericks 98, Suns 88 In Phoenix, Michael Finley, a former Sun, hit a 3-pointer with 16 seconds left to complete a Dallas rally from 16 points down.

(NYT, AP)



Mack J. Terrill/The Associated Press

Allan Houston of the New York Knicks flying toward the basket while Sean Rooks of the Los Angeles Lakers remained earthbound in defense.

UCLA Climbs To 10th Place In Rankings

The Associated Press

Just six weeks ago the idea of UCLA as the national champion would have been met with snickers. Not anymore.

The 17th-ranked Bruins beat No. 7 Duke, 73-69, on Sunday and moved up seven places in The Associated Press poll on Monday.

"We've come a long way the past couple of months," UCLA's coach, Steve Lavin, said. "We still have a long way to go, but our team has an unbelievable heart."

College Basketball

Lavin, 32, took over as coach just before the start of the season when Jim Harrick was fired. The Bruins were ranked 5th in the preseason poll but started off with a home loss to Tulsa, and then lost to Kansas, Illinois and Stanford.

The game Sunday stretched UCLA's current winning streak to five.

J.R. Henderson was the top scorer for the Bruins (17-7) with 18 points.

Florida State 67, No. 12 Clemson 65 Kerry Thompson scored on 12-foot (3.5-meter) shot as time expired to give the Seminoles (15-9, 5-9 Atlantic Coast Conference) a rare road victory. Greg Buckner scored 20 points for the Tigers (20-7, 8-6).

Princeton 60, Dartmouth 53 Princeton became the first team to clinch an NCAA tournament spot, when it beat Dartmouth on Saturday to win its second consecutive Ivy League title.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	42	13	.764	—
New York	40	15	.727	2
Orlando	27	25	.519	13½
Washington	24	30	.444	17½
New Jersey	16	38	.296	25½
Philadelphia	14	39	.264	27
Boston	11	43	.204	30½

CENTRAL DIVISION

Chicago	48	6	.889	—
Detroit	40	13	.755	7½
Atlanta	35	18	.660	12½
Charlotte	34	21	.618	14½
Cleveland	30	23	.566	17½
Indiana	25	28	.472	22½
Milwaukee	25	29	.463	23
Toronto	19	35	.352	29

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Utah	38	15	.717	—
Houston	36	19	.655	3
Minnesota	27	27	.500	11½
Dallas	18	34	.346	19½
Denver	17	39	.304	22½
San Antonio	13	40	.245	25
Vancouver	11	47	.190	29½

PACIFIC DIVISION

Seattle	38	15	.717	—
L.A. Lakers	38	16	.704	½
Portland	29	26	.527	10
Sacramento	24	30	.444	14½
L.A. Clippers	22	29	.431	15
Golden State	20	32	.385	17½
Phoenix	20	36	.357	19½

SUNDAY'S RESULTS

San Antonio	24	17	22	22—	85
Houston	26	26	21	22—	95

S.A.: Wilkins 11-22 5-6 28, Del Negro 9-17 4-5 22; H: Olajuwon 10-21 1-2 21, Barkley 8-13 3-8 19. Rebounds—San Antonio 57 (Perdue 14), Houston 41 (Willis 9). Assists—San Antonio 21 (Johnson 12), Houston 28 (Barkley, Maloney, Price 5).

Detroit	18	22	26	19— 85
Washington	17	22	15	25— 79

D: McKie 5-7 5-6 16, Dumars 5-12 2-3 14, Mills 5-11 0-0 14-W: Webber 8-17 2-2 19, Strickland 9-18 0-2 19. Rebounds—Detroit 46 (Mills 14), Washington 47 (Webber 12). Assists—Detroit 18 (Hill, Dumars 5), Washington 21 (Strickland 9).

Boston	30	17	20	26— 93
New Jersey	23	27	28	31—109

B: McKie 5-7 5-6 16, Dumars 5-12 2-3 14, Mills 5-11 0-0 14; W: Webber 8-17 2-2 19, Strickland 9-18 0-2 19. Rebounds—Boston 51 (Walker 16), New Jersey 66 (Massenburg 10). Assists—Boston 21 (Wesley 8), New Jersey 23 (Cassell 6).

L.A. Clippers	27	24	22	26—99
Milwaukee	33	20	18	13—86

L.A.: Martin 6-12 7-8 19, Sealy 5-15 6-6 16, Murray 5-10 6-7 16; M: Robinson 10-22 4-4 25, Baker 8-19 6-9 23. Rebounds—Los Angeles 51 (Vaught 11), Milwaukee 43 (Baker, Brown 8). Assists—L.A. 19 (Martin 6), Milwaukee 19 (Douglas 6).

Cleveland	19	28	22	38— 91
Vancouver	19	28	22	15— 84

C: Phills 9-14 4-4 23, Hill 6-8 6-8 18; V:Reeves 10-20 6-6 26, Abdur-Rahim 7-15 9-10 24. Rebounds—Cleveland 46 (Hill 17), Vancouver 38 (Abdur-Rahim 8). Assists—Cleveland 21 (Sura 6), Vancouver 20 (Anthony 5).

Seattle	24	19	18	17	11— 89
Utah	16	25	22	15	9— 87

S: Payton 11-26 4-7 28, Schrempf 8-13 4-5 20; U: Malone 13-28 6-7 32, Osterlag 3-6 5-7 11. Rebounds—Seattle 50 (Schrempf 7), Utah 53 (Malone 10). Assists—Seattle 16 (Hawkins 4), Utah 22 (Stockton 12).

New York	28	28	25	30	7 17—127
L.A. Lakers	18	21	24	40	7 11—121

N.Y.: Ewing 12-25 10-12 34, Houston 9-19 6-7 29; L.A. Lakers: Campbell 12-24 15-19 40, Jones 5-18 10-11 22. Rebounds—New York 76 (Ewing 25), Los Angeles 58 (Knight 13). Assists—New York 34 (Childs 13), Los Angeles 29 (Van Exel 16).

Denver	21	19	33	13— 86
Miami	21	28	19	27— 95

D: Ellis 11-24 3-3 29, Stith 8-14 0-3 19; M: Austin 6-11 3-3 15, Lenard 5-10 0-0 14, Hardaway 5-20 3-3 14. Rebounds—Denver 54 (Johnson 14), Miami 52 (Brown 11). Assists—Denver 19 (Goldwire 10), Miami 20 (Hardaway 6).

Orlando	31	14	29	25—99
Indiana	25	24	15	26—90

O: Grant 7-9 5-6 19, Scott 6-12 1-1 17, Anderson 7-13 8-8 17, Hardaway 6-16 2-2 17; I: Miller 9-23 4-4 26, Smits 6-11 2-2 14. Rebounds—Orlando 47 (Schintzius 9), Indiana 52 (A.Davis 13). Assists—O. 24 (Grant 7), Indiana 20 (Jackson 7).

Dallas	28	25	17	26— 96
Phoenix	21	31	23	11— 86

D: Finley 9-20 0-0 20, Bradley 8-17 2-2 18; P: Ceballos 10-20 1-2 22, Person 5-13 3-3 15. Rebounds—Dallas 55 (Bradley 10), Phoenix 42 (Ceballos 14). Assists—Dallas 21 (Strickland 7), Phoenix 27 (Johnson 11).

Top 25 College Results

How the top 25 teams in The Associated Press' college basketball poll fared last week:

1. Kansas (27-1) beat Missouri 79-67; beat Kansas State 78-58. 2. Minnesota (24-2) beat Ohio State 60-48; beat No. 23 Illinois 67-66. 3. Kentucky (26-3) beat Alabama 75-61; beat Vanderbilt 82-79. 4. Wake Forest (21-4) lost to No. 12 North Carolina 74-69; beat Virginia 66-60. 5. Utah (20-3) beat Tulsa 56-54.

6. Duke (22-4) beat No. 8 Clemson 84-77; lost to No. 17 UCLA 73-69. 7. Iowa State (18-4) lost to Texas 57-56; lost to Nebraska 74-69, OT. 8. Clemson (20-7) lost to No. 6 Duke 84-77; lost to Florida State 67-65. 9. South Carolina (21-6) beat Arkansas 78-65; beat Citadel 85-55; beat Tennessee 69-58. 10. New Mexico (21-5) lost to Texas-El Paso 71-62; beat Hawaii 89-69.

11. Cincinnati (22-5) beat Houston 97-64; beat South Florida 76-56; beat DePaul 83-54. 12. North Carolina (19-6) beat No. 4 Wake Forest 74-69; beat No. 14 Maryland 93-81. 13. Arizona (17-7) lost to Oregon 78-72; beat Oregon State 74-64. 14. Maryland (20-7) beat Georgia Tech 76-68; lost to No. 12 North Carolina 93-81. 15. Louisville (21-6) beat South Florida 75-64; lost to Marquette 79-71, OT; beat Southern Mississippi 75-72, OT.

16. Xavier, Ohio (20-4) beat Duquesne 82-74; beat La Salle 79-67. 17. UCLA (17-7) beat Southern California 82-60; beat No. 6 Duke 73-69. 18. Michigan (17-9) lost to Iowa 80-75; lost to Purdue 67-58. 19. Villanova (20-7) beat St. John's 65-54; beat Connecticut 65-58. 20. Stanford (16-7) beat Washington State 76-63; lost to Washington 75-61.

21. Colorado (19-7) beat Kansas State 67-57; beat Missouri 84-75. 22. College of Charleston (25-2) beat Southeastern Louisiana 81-68; beat Centenary 94-73. 23. Illinois (18-8) lost to No. 2 Minnesota 67-66. 24. Indiana (21-6) lost to Purdue 89-87, OT; beat Northwestern 64-49. 25. California (19-7) beat Washington 78-67; lost to Washington State 89-87.

The AP Top 25

The top 25 teams in The Associated Press' college basketball poll, with first-place votes in parentheses, records through Feb. 23, total points based on 25 points for a first-place vote through one point for a 25th-place vote, and last week's ranking:

	Record	Pts	Pvs
1. Kansas (68)	27-1	1,748	1
2. Minnesota (2)	24-2	1,658	2
3. Kentucky	26-3	1,629	3
4. Utah	20-3	1,499	5
5. Wake Forest	21-4	1,438	4
6. South Carolina	21-6	1,374	9
7. Duke	22-6	1,334	6
8. North Carolina	19-6	1,234	12
9. Cincinnati	22-5	1,208	11
10. UCLA	17-7	996	17
11. New Mexico	21-5	982	10
12. Clemson	20-7	973	8
13. Iowa St.	18-6	877	7
14. Xavier, Ohio	20-4	853	16
15. Arizona	17-7	716	13
16. Maryland	20-7	698	14
17. Louisville	21-6	626	15
18. Villanova	20-7	564	19
19. Colorado	19-7	499	21
20. Coll.of Charleston	25-2	386	22
21. Illinois	18-8	247	23
22. Indiana	21-8	181	24
23. St. Joseph's	19-6	142	—
24. Michigan	17-9	131	18
25. Stanford	16-7	108	20

Others receiving votes: Georgia 87, California 76, Iowa 74, Tulsa 62, Princeton 49, Wisconsin 48, Texas Tech 35, Purdue 30, N.C. Charlotte 28, Providence 27, Texas 22, New Orleans 18, Massachusetts 16, Hawaii 15, Marquette 12, Pacific 11, Temple 9, Mississippi St. 5, Tulane 5, Illinois St. 4, South Alabama 4, Fresno St. 2, Oklahoma 2, Southern Col 2, Bowling Green 1, Long Island U. 1, Oral Roberts 1, Oregon 1, SW Missouri St. 1, Vanderbilt 1.

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Philadelphia	35	17	9	79	198	152
New Jersey	29	18	12	70	156	139
Florida	28	19	14	70	170	143
N.Y. Rangers	28	26	9	65	204	176
Tampa Bay	23	29	7	53	165	183
Washington	23	30	6	52	151	168
N.Y. Islanders	20	30	10	50	162	177

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Buffalo	32	19	10	74	180	151
Pittsburgh	31	24	5	67	216	195
Hartford	24	28	8	56	172	190
Montreal	22	29	11	55	191	220
Ottawa	20	27	13	53	168	175
Boston	20	33	7	47	170	214

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	36	22	4	76	189	153
Detroit	28	19	12	68	186	140
St. Louis	28	27	8	64	188	193
Phoenix	27	29	4	58	171	184
Chicago	25	28	8	58	164	160
Toronto	23	36	2	48	180	216

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	38	14	8	84	206	141
Edmonton	29	27	6	64	193	184
Calgary	25	30	7	57	167	181
Vancouver	27	31	2	56	193	207
Anaheim	25	30	6	56	176	184
Los Angeles	21	33	8	50	163	206
San Jose	21	33	6	48	155	202

SUNDAY'S RESULTS

Pittsburgh	0	1	0—1
N.Y. Islanders	2	1	1—4

1st Period: New York, Pilon 1 (Jonsson, Berlusconi) 2, New York, McInnis 17 (Andersson, Potvin) (pp). 2nd Period: N.Y., Andersson 8 (Jonsson, Potvin) 4, P-Johnson 8 (Lemieux, Olausson) (pp). 3rd Period: N.Y., Green 16 (Berard, Potvin) (pp). Shots on goal: P- 5-11-12—28. N.Y. 14-14-9—37. Goalies: P-Lafleme. N.Y., Salo.

San Jose	2	1	0—3
Tampa Bay	0	3	1—4

First Period: S.J.-Nolan 24 (Kozlov, Friesen) 2, S.J.-Tancill 4 (Gusta, Nichalls) Second Period: S.J.-Nolan 25 (Kozlov) 4, Tampa Bay, Wiemer 6 (Shaw, Langkow) 5, T-Hamrlik 10 (Burr, Ciccarelli) 6, T-Wiemer 7 (Cullen, Ciccarelli) Third Period: T-Mytnes 2 (Zamuner, Langkow) Shots on goal: S.J.- 11-6-9—26. T- 7-17-9—33. Goalies: S.J.-Hrudey. T-Tabaracci, Schwab.

Edmonton	0	1	0—1
Dallas	0	2	4—6

First Period: None. Second Period: D-Nieuwendyk 23 (Sydor, Hogue) 2, E-Czerkawski 19 (Marchant) 3, D-Zubov 10 (Modano) Third Period: D-Modano 26 (Harvey, Ludwig) 5, D-Gilchrist 10 (Modano, Harvey) 6, D-Zubov 11 (Modano) 7, D-Nieuwendyk 24 (Ledyard) Shots on goal: E-4-10-5—19. D- 8-12-8—28. Goalies: E-Joseph. D-Moog.

Boston	1	0	0—1
Buffalo	2	1	2—5

First Period: Buffalo-Grosek 13 (Barnaby, Galley) 2, Boston-Mogar 7 (Donato, Stumpel) 3, Buffalo-Ward 9 (Audette, Holzinger) Second Period: Buffalo-Holzinger 18 (Ward, Audette) Third Period: Buffalo-Barnaby 16 (Plante, Zhitnik) 6, Buffalo-Grosek 14 (Barnaby, Plante) Shots on goal: B- 8-5-9—22. B- 7-5-11—23. Goalies: B-Rondeau, Tallas. B-Hasek.

Calgary	1	1	3—5
St. Louis	2	1	0—3

1st Period: S.L.-Campbell 23 (Bergevin) 2, St. Louis, Hull 34 (Courtnall) 3, C-Gagner 21 (Sillinman, Racine) 2nd Period: S.L.-Hull 35 (Turgeon, Kravchuk) 5, C-Bouchard 3 (Pleury, Ward) 3d Period: C-Reichel 14 (Tilley, Millen) (pp). 7, C-Chicoson 5 (Stern, Tilley) 8, C-Iginla 19 (Albelin) (en). Shots on goal: C- 10-16-12—38. S.L.- 8-4-10—22. Goalies: C-Roloson. S.L.-Casey.

N.Y. Rangers	1	0	0—1
Philadelphia	1	1	0—2

1st Period: New York, Graves 23 (Karpovtsev, Nemchinov) (pp). 2, P-Folkson 7 (Desjardins, Svoboda) 2nd Period: P-Nilmimaa 3 (LaClair) 3rd Period: None. Shots on goal: N.Y. 5-4-6—15. P- 15-16-6—37. Goalies: N.Y., Richter. P-Snow.

Vancouver	1	1	0—2
Anaheim	0	2	3—5

First Period: V-Hedican 3 (Mogilny, Naslund) Second Period: A-Kurri 10 (Daigneault, Kariya) (pp). 3, A-Kariya 29 (Selonne, Rucchin) 4, V-Ridley 19 (Mogilny, Naslund) Third Period: A-Selonne 36 (Rucchin) (pp). 6, A-Todd 9 (Kurri, Drury) 7, A-Kariya 30 (Selonne) (en). Shots on goal: V-10-18-11—39. A- 7-12-16—35. Goalies: V-McLean. A-Hebert.

Ottawa	1	0	2—3
Colorado	0	1	3—4

First Period: O-Van Allen 7 (Laukkanen, York) Second Period: C-Lacroix 17 (Recchi, Deadmarsh) (pp). Third Period: O-Charbie 10 (Musil) 4, O., Zhalbik 9 (Alfredsson, Duchesne) (pp). 5, C-Lemieux 6 (Forsberg, Kamensky) 6, C-Young 17 (Sakic, Gusarov) 7, C-Ozolinsh 20 (Forsberg) Shots on goal: O- 6-11-6—23. C- 7-14-13—34. Goalies: O-Rhodes. Tugnutt. C-Roy.

GOLF

Alfred Dunhill South African PGA

Final scores Sunday of the Alfred Dunhill South African PGA golf tournament on the 7,035-yard, par-72 Houghton Golf Club in Johannesburg (x-won on first playoff hole):

x-N. Price, Zimbabwe	67-66-70-66—269
D. Frost, S.Africa	69-63-66-71—269
N.v Rensburg, S.Africa	68-68-66-68—270
R. Goosen, S.Africa	65-66-70-71—272
M Garlaso, S.Africa	70-67-67-70—273
G. Peterson, U.S.	71-69-65-69—273
W. Westner, S.Africa	68-66-71-69—273
M. Angleri, Sweden	68-67-69-70—274
M. Goggin, Australia	69-69-69-67—274
K. Tomori, Japan	67-67-67-73—274
N. Fasth, Sweden	66-69-68-71—274

Tucson Classic

Final scores of the $1.3 million Tucson Classic on the 7,148-yard, par-72 Omni Tucson National Golf Resort & Spa course at Tucson, Arizona:

Jeff Sluman	75-68-65-67—275
Steve Jones	66-68-72-70—276
Brad Bryant	68-69-67-73—277
Paul Stankowski	72-65-69-71—277
Tom Kite	69-70-71-68—278
Don Pooley	67-73-70-68—278
Jeff Maggert	66-72-70-70—278
Lee Janzen	72-71-66-69—278
Clarence Rose	67-72-68-71—278
Andrew Magee	70-72-67-70—279
Jerry Kelly	72-68-69-70—279
Mike Reid	70-69-69-71—279

SOCCER

African Nations Cup

GROUP 1

Standings: Ghana 4 points, Zimbabwe 4, Angola 0.

GROUP 2

Benin 1, Algeria 1
Mali 1, Ivory Coast 2

Standings: Mali 6 points, Ivory Coast 6, Algeria 4, Benin 1.

GROUP 3:

Standings: Senegal 5 points, Egypt 3, Morocco 2, Ethiopia 1.

GROUP 4

Guinea 1, Sierra Leone 0

Standings: Guinea 3 points, Tunisia 3, Sierra Leone 0.

GROUP FIVE

Kenya 0, Cameroon 0

Standings: Cameroon 4 points, Kenya 4, Namibia 4, Gabon 2.

GROUP 6

Tanzania 1, Liberia 1
Togo 1, Zaire 1

Standings: Togo 7 points, Zaire 5, Liberia 2, Tanzania 1.

GROUP 7

Malawi 2, Mozambique 0

Standings: Zambia 7 points, Malawi 6, Mozambique 3, Mauritius 1.

(The top two teams in each group qualify for the finals in Burkina Faso next February. Holders South Africa and the hosts have already qualified.)

Italian First Division

Parma 2, Lazio 0

Standings: Juventus 41, Sampdoria 36, Inter 34, Parma 34, Bologna 32, Vicenza 31, Roma 31, Atalanta 31, Napoli 29, Fiorentina 28, Milan 28, Lazio 27, Udinese 27, Piacenza 24, Perugia 22, Cagliari 19, Verona 17, Reggiana 13.

Spanish First Division

Deportivo Coruna 3, Real Betis 0
Sevilla 1, Logrones 4
Sporting Gijon 2, Tenerife 1
Barcelona 4, Zaragoza 1
Valladolid 3, Real Sociedad 0
Athletic Bilbao 2, Racing Santander 2
Extremadura 3, Espanyol 0
Real Madrid 6, Oviedo 1
Celta Vigo 2, Rayo Vallecano 0

Standings: Real Madrid 59 points, Barcelona 53, Real Betis 47, Deportivo Coruna 47, Atletico Madrid 46, Real Sociedad 44, Athletic Bilbao 40, Valladolid 40, Racing Santander 36, Tenerife 34, Valencia 33, Celta Vigo 33, Oviedo 29, Sporting Gijon 29, Compostela 28, Rayo Vallecano 27, Espanyol 26, Zaragoza 25, Logrones 25, Extremadura 22, Sevilla 21, Hercules 19.

English Premier League

Arsenal 0, Wimbledon 1

Standings: Manchester United 54 points, Liverpool 53, Newcastle 48, Arsenal 48, Aston Villa 43, Wimbledon 42, Chelsea 42, Sheffield Wednesday 39, Leeds 33, Everton 32, Tottenham 32, Leicester 30, Derby 29, Sunderland 29, Blackburn 28, Coventry 28, Nottingham Forest 24, West Ham 22, Southampton 20, Middlesbrough 19.

German Bundesliga

Bayer Leverkusen 1, MSV Duisburg 0
VfL Bochum 1, Bayern Munich 1,
Bor. Moenchengladbach 0, Schalke 04 0,
1860 Munich 2, FC Cologne 1
VfB Stuttgart 1, Karlsruher SC 0

Standings: Bayern Munich 40 points, Borussia Dortmund 37, Bayer Leverkusen 37, VfB Stuttgart 34, Karlsruher SC 29, FC Cologne 29, VfL Bochum 29, Schalke 04 29, Werder Bremen 28, 1860 Munich 24, Hamburg SV 23, MSV Duisburg 23, Arminia Bielefeld 22, Fortuna Duesseldorf 21, Moenchengladbach 19, FC St. Pauli 18, Hansa Rostock 16, SC Freiburg 13.

Russell Cup

MONDAY, IN KUALA LUMPUR

Zimbabwe 2, Bosnia 2
Indonesia 1, Vietnam 0

TENNIS

HEA Classic

SUNDAY, IN OKLAHOMA CITY, U.S.

FINAL

Lindsay Davenport, United States (1), def. Lisa Raymond, United States (4), 6-4, 6-2.

Kroger St. Jude

SUNDAY, IN MEMPHIS, TENNESSEE, U.S.

FINAL

Michael Chang (1), United States, def. Todd Woodbridge (8), Australia, 6-3, 6-4.

FINAL DOUBLES

Ellis Ferreira (4), South Africa, and Patrick Galbraith, United States, def. Rick Leach (7), United States, and Jonathan Stark, United States, 6-3, 3-6, 6-1.

ATP Rankings

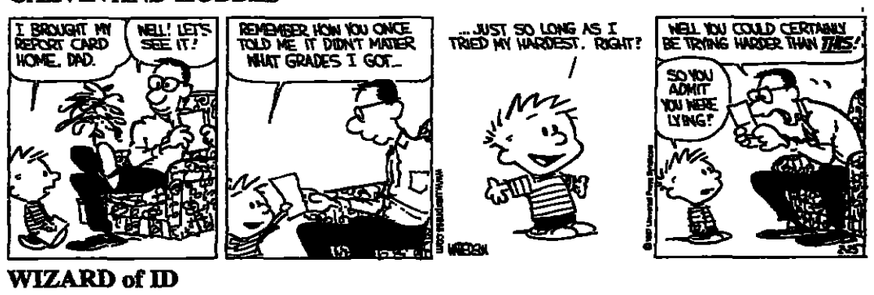
Leading rankings issued by the ATP Tour on Monday in Monaco:

1. Pete Sampras (U.S.) 5,491 points, 2. Thomas Muster (Austria) 3,709, 3. Michael Chang (U.S.) 3,595, 4. Yevgeny Kafelnikov (Russia) 3,367, 5. Goran Ivanisevic (Croatia) 3,285, 6. Marcelo Rios (Chile) 2,419, 7. Richard Krajicek (Netherlands) 2,365, 8. Thomas Enqvist (Sweden) 2,264, 9. Wayne Ferreira (South Africa) 2,203, 10. Carlos Moya (Spain) 2,171, 11. Albert Costa (Spain) 1,871, 12. Boris Becker (Germany) 1,843, 13. Andre Agassi (U.S.) 1,857, 14. Tim Henman (Britain) 1,753, 15. Todd Martin (U.S.) 1,723.

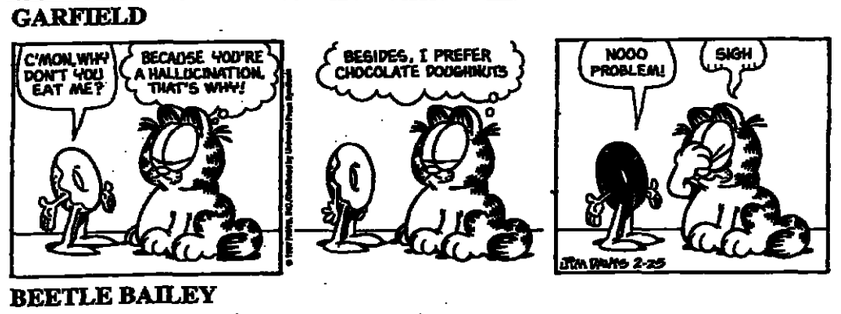
DENNIS THE MENACE

PEANUTS

CALVIN AND HOBBES



GARFIELD



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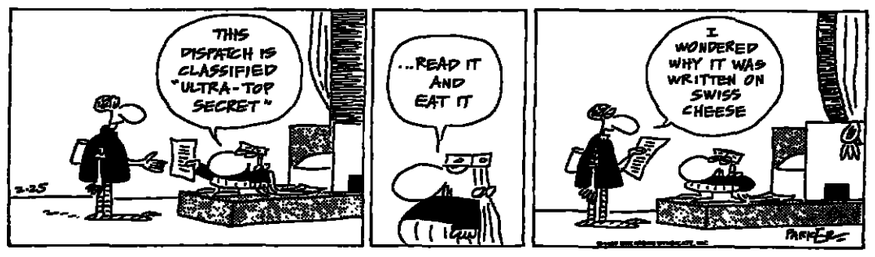

JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

HIWEL
DIXEO
URRUMM
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Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: ____ "____"

(Answers tomorrow)

Yesterday's Jumbles: CHESS AXIOM WILAID PASTRY
Answer: The result of burying cash in the garden — "RICH SOIL"

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ART BUCHWALD

The Airline Fiasco

WASHINGTON — By now you've all read about AirFree Airlines and the strike that wasn't because President Clinton insisted on a cooling-off period for everyone involved in the dispute.

But I'll bet you didn't know that it cost AirFree a bundle.

Buchwald

Here's what happened to Joe Robert, the head of the airline.

Joe, who is known as "Big Bird" in the industry, felt that the employees were making far too many demands, and he decided to hang tough, even if it cost AirFree $50 million a day.

The employees also hung tough and voted to strike if Big Bird didn't come up with a contract to their liking.

□

That was the simple part.

The complication came when everyone predicted that there would be a shutdown of AirFree.

The public panicked, particularly when Big Bird announced that the employees were just a bunch of ungrateful featherbedders who knew nothing about the people-moving business.

Customers started canceling their reservations from Nepal to Hawaii.

□

The employees became embittered and claimed that the only flying Big Bird had done was in a golden parachute.

By this time there was no way to avoid a strike, so passengers wrote off AirFree, including four hijackers who had intended to take a plane to Cuba. It was at this point that the president stepped in because if AirFree didn't fly none of his defense lawyers could get to Washington.

The prez signed a piece of paper postponing a strike for 60 days and ordering everyone back to work.

This made the employees furious. They had hoped to have their demands met by shutting down the airports at Dallas, Los Angeles and Nantucket.

□

Big Bird was ecstatic because he could still keep AirFree planes in the sky. But there was a problem.

Although the planes and pilots were available, there were no passengers and the terminal counters were deserted.

In order to entice his customers back Big Bird had no choice but to cut his fares by 50 percent.

It wasn't enough, so he offered 75 percent discounts, and finally he announced that anybody who wanted to go AirFree could fly without charge.

□

In an effort to attract customers the airline had played havoc with its sales figures.

While the strike would have cost AirFree $50 million a day, it was now costing the company $100 million a day to stay in business.

Big Bird was forced to go to the unions and ask them to strike so that he could save the company half of the $100 million it was costing him to keep his planes flying.

As far as the union was concerned it was a tough call because the longer they kept flying the sooner Big Bird would cry "uncle."

The Double Legacy of Marian Anderson

By David Mermelstein

NEW YORK — There was a time when mentioning Marian Anderson evoked a host of images: the Lincoln Memorial, color barriers, civil rights, a slender, graceful presence on stage. Most of all, though, the name conjured up a dark, soulful, immensely musical voice.

It is hard to say what thoughts Marian Anderson, arguably the greatest contralto of the century, brings to mind today. Those who know who she was and what she accomplished surely think only positively of her. But she retired from the stage 30 years ago and died in 1993, at 96.

Though older generations remain cognizant of her triumphs, her importance may be less apparent to younger people. In an age in which the collective memory is rapidly diffusing, absence from the public eye can have devastating effects on the perception of a person's importance.

On Thursday, Carnegie Hall will help redress the balance by presenting an evening in tribute to Anderson. Ostensibly, it acknowledges the centenary of her birth, which occurred on Feb. 17.

But this celebration is about more than noting a milestone; it is about honoring that rarest of creatures: a great artist who was also an outstanding human being.

For many, Anderson's spirit lives on despite her death. The Carnegie celebration, consisting of a concert conducted by Robert Shaw and reminiscences by the likes of Roberta Peters, William Warfield and Isaac Stern, gives music lovers an opportunity to consider the importance of this beloved singer. Through April 6, Carnegie Hall's Rose Museum is presenting a parallel tribute, an exhibit of Anderson memorabilia, which includes personal papers, photographs and artifacts.

In a sense, there were two Marian Andersons. The first was the artist whose haunting, impassioned singing prompted the great maestro Arturo Toscanini to proclaim, "A voice like yours is heard once in 100 years." The other was the model citizen who quietly but effectively helped the nation confront its own racism.

Born in Philadelphia in 1897, Anderson fell in love with music at her family's Baptist church. She had no formal music lessons until she was 15, but her church generously established a fund for her education. In 1925, she won a contest that afforded her an appearance with the New York Philharmonic at Lewisohn Stadium. That event secured her a management contract, but bookings were scarce, and success in the United States eluded her. Reluctantly, she embarked for Europe, where her gifts were immediately embraced.

She gave her first European concert in Berlin, in 1930. She then toured Scandinavia, where she met and impressed the composer Jean Sibelius. In 1935, she appeared at the Salzburg Festival and encountered Toscanini.

She returned to the United States that year, firmly established as a world-class artist. When Sol Hurok presented her at Town Hall, she won raves. Howard Taubman, in The New York Times, called her "one of the great singers of our time." A year later, she became the first black singer to perform at the White House, and in 1938, she gave 70 recitals in America, then a record for a singer.

But it was an event the next year that catapulted Anderson into the history books. She hoped to perform at Constitution Hall in Washington, but the Daughters of the American Revolution, who owned the hall, barred her because of her race. A furor ensued, during which Eleanor Roosevelt, wife of the president resigned from the organization.

Hoping to defuse the situation, the secretary of the Interior, Harold Ickes, offered Anderson use of the Lincoln Memorial for her concert. She accepted, and 75,000 people, including members of the Supreme Court and the Congress, showed up on Easter Sunday to demonstrate their support and hear her sing.

The conductor James DePreist, Anderson's nephew, is proud of her achievement on that occasion and later, but he feels that her role as a quiet civil-rights crusader has tended to overwhelm her importance as a singer.

"I think that in many ways Aunt Marian's artistic legacy, her musical legacy, was obscured by the symbolism surrounding that Easter Sunday concert," he said from his home in Portland, Oregon. "Her celebrity in the struggle for African-American equal rights has taken center stage far too often for my personal taste. It has not enabled people to focus on the music-making as much as they should."

Anderson's social legacy is evident in the gradual erosion of discriminatory laws and customs in the United States. Her musical legacy rests not only in the memories of those who heard her sing but also in numerous recordings.

Alix Jeffry

Marian Anderson (here in 1969) will be honored in New York.

Some have likened an Anderson performance to a religious experience. Hyperbole aside, the comparison makes more than a little sense, for there was an ineffable quality to her artistry. Although she was unmistakably a contralto, her voice on record possesses a disarming, hypnotizing ring that, coupled with her fast vibrato and high top, makes her singing arresting and unique.

Her repertory was surprisingly broad for a concert singer. In addition to assorted opera arias and songs, Anderson delighted in the music of Bach and Handel, Scandinavian folk songs and what were once called Negro spirituals.

In these spirituals, products of bondage, Anderson was, and remains, unrivaled. In much the way that Artur Schnabel brought Schubert's piano sonatas to a wider public, so, too, Anderson elevated the songs of slaves to high art. She sang them at the end of her recitals, often as encores.

Some believe that her programming of these works signaled a subtle protest against racial injustice. In any case, the innovation has endured; many American singers now include spirituals as part of their programs.

Reluctant as she may have been to pave the way, she demolished barriers, and innumerable black singers have followed in her wake. Would we now know the sopranos Leontyne Price, Jessye Norman and Kathleen Battle, and a host of other talents, were it not for Anderson's achievements?

"She inspired me from the first moment I heard her voice, and this inspiration continues and grows," said Norman, who will perform in the Carnegie Hall tribute. "Miss Anderson soared above the thicket of racism and repression with a smile in her soul and joy of life in her every song. This is inspiration indeed."

David Mermelstein, who lives in Los Angeles and writes about the arts, wrote this for The New York Times.

Jacques Minnich/Reuters

PASTA ON PARADE? — Prince Albert of Monaco spreading confetti among the crowd during Nice's traditional parade for Carnival.

PEOPLE

THE Golden Bear, the top prize at the Berlin film festival, was awarded Monday to Milos Forman's "The People vs. Larry Flynt," and Forman used the occasion to announce that he was withdrawing the controversial poster for the film. The poster, which some groups in France had complained insulted religion, shows the actor **Woody Harrelson** wearing a U.S. flag as a loincloth, with arms outspread in front of a woman's thighs. The Berlin award for best actress went to **Juliette Binoche** for her role in "The English Patient," and the best actor prize went to **Leonardo DiCaprio** for "Shakespeare's Romeo and Juliet." A special jury prize went to the Taiwanese director **Tsai Ming-liang** for the film "He Liu" (The River).

□

The Screen Actors Guild named **Geoffrey Rush** as best motion picture actor in its annual awards. Last month, Rush won a Golden Globe for his role in "Shine," the story of the troubled Australian pianist **David Helfgott**. Both awards presentations are considered harbingers of the Academy Awards next month. **Frances McDormand** won best actress for her performance in "Fargo." **Cuba Gooding Jr.** received a supporting actor award for his role in "Jerry Maguire," and **Lauren Bacall** won best supporting actress for her performance in "The Mirror Has Two Faces"; Bacall also won the Golden Globe.

□

An 85-year-old survivor of the 1912 sinking of the Titanic is planning her first cruise across the Atlantic since the disaster when she was just a babe in arms. **Millvina Dean**, one of only seven still living from among the 705 people who survived the sinking, plans to cross the Atlantic aboard the Queen Elizabeth II later this year. Dean was only a few weeks old when she set off with her parents for a new life in America aboard the Titanic, which was headed from Southampton, England, for New York via Belfast on its maiden voyage. Her father died in the sinking.

□

David Gahan, lead singer of **Depeche Mode**, has completed court-ordered drug rehabilitation nine months after overdosing on heroin and cocaine. He began treatment at a center in Marina del Rey, California, after being arrested in May. Drug charges were to be dropped if he completed the program.

□

Mick Jagger has hired **Madonna** to star in a movie based on the life of **Tina Modotti**. Modotti, an Italian-born actress, immigrated to the United States in 1913 and became a photographer after a brief stint in Hollywood. She was also known for revolutionary activism in Mexico and Europe.

□

The story of the stolen "Cheers" script has a happy ending. The TV script was stolen from a charity ball on Feb. 15, and then mysteriously turned up in a manila envelope on the steps of St. Joseph's Church in Boston. "All you can say is that somebody had a change of heart in the matter," the **Reverend Robert Fountain** said. The apparent thief had called to make sure the script was received. The script of the series' last episode was autographed by cast members of the TV comedy show set in a Boston bar.

□

King Carl XVI Gustaf of Sweden donned his woolen hat and skis Monday to take part in the Vasaloppet, the 85-kilometer (53-mile) ski race in central Sweden commemorating **King Gustav Vasa's** escape from the Danes in 1521. This is the third time the king, 50, has participated in the race.

□

The Indian author **Shobha De** doesn't mince words. Of the Indian male, she says, "He is self-absorbed, narcissistic, feudal, hopelessly spoiled and completely infantile in his responses." But she said, while her latest book, "Surviving Men: The Smart Woman's Guide to Staying on Top," may be aimed at the Indian man, "On a scale of one to 10, I give Indian men six, whereas European or American men would get three or four because they have such completely inflated and overrated notions about themselves."

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